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MARCH 1985 MONTHLY REPORT

Surveys of Consumer Attitudes

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INDEX UNCHANGED

- In the March 1985 survey, the Index of Consumer Sentiment was 93.7, identical to the February reading, and below the cyclical peak of 101.0 recorded in March 1984.

- Among families with incomes of $25,000 or more, the Index stood at 108.8 in March 1985, up from 107.4 in February, and below the cyclical peak of 114.2 recorded in March 1984.

- The proportion of American families holding favorable car buying attitudes rose to 67 percent in the March 1985 survey, the highest level ever recorded in these surveys. The prior record level—66 percent—was recorded in the March 1984 survey as well as in the Spring of 1983. The major reason for this resurgence in favorable car buying attitudes has been the widespread availability of price discounts, reported by 30 percent of all families in March, the highest level since the recession year of 1982.

- Favorable home buying attitudes rose to 64 percent in the March survey from 54 percent three months earlier, and 62 percent one year earlier. The improvement since year-end 1984 in home buying attitudes has been mainly due to the availability of lower mortgage interest rates, reported by 48 percent in March, up from 38 percent in December. Attitudes toward buying conditions for large household durables remained very favorable in the March 1985 survey. Among all families, 75 percent favorably rated buying conditions for durables in the March survey, up from 67 percent in December, and 72 percent one year earlier.

- A modest decline in personal financial optimism was recorded in the March survey, although overall financial evaluations remained above the peak levels recorded in the late 1970s. Among all families, 40 percent reported that their financial situation had improved during the past year (down from 48 percent one year earlier), and 36 percent expected financial progress during the year ahead (down from 44 percent in March 1984). This decline in financial optimism has been due to smaller expected income increases.

- The majority of families in the March 1985 survey reported both that the national economy improved during the past year, and that they expected good times financially in the economy as a whole during the year ahead. This positive economic outlook incorporates the view that the rate of economic growth would slow during the year ahead, which will prevent any further declines in the unemployment rate.

- The proportion of families that expected interest rate increases rose to 45 percent in the March 1985 survey, up from 35 percent one month earlier. Just 19 percent of all families expected interest rates to decline in the March 1985 survey, down from 26 percent in February.

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Spring Rebound in Buying Attitudes

Attitudes toward buying conditions improved in the March 1985 survey, and reestablished the record levels first recorded two years earlier. It was in the Spring of 1983 that attitudes toward buying conditions first reached record favorable levels. Following small declines during the balance of 1983, attitudes toward buying conditions rebounded to peak levels by the Spring of 1984. Small declines were again recorded in buying attitudes during the second half of 1984, and attitudes in early 1985 have again rebounded to peak levels. The major reason for the pattern of spring resurgences and declines later in the year has been changes in the frequency of reports of discounted prices and reduced interest rates.

Favorable attitudes toward market conditions for the purchase of vehicles were held by more families in the March 1983 survey than in any prior survey during the past thirty years. During the past three months the proportion of families that held favorable car buying attitudes rose from 55 percent in December 1984 to 67 percent in March 1985, just above the earlier peak of 66 percent recorded in both March 1984, and in the Spring of 1983.

When asked to explain their views on buying conditions for vehicles, more families mentioned the availability of price discounts in the March 1985 survey than since the recession year of 1982. Among all families, 30 percent referred to the availability of price discounts on vehicles, up from 18 percent three months earlier, and 23 percent one year earlier. References to interest rates on vehicle loans were also more favorable in the March 1985 survey. Among all families, just 5 percent registered complaints about high interest rates, down from 12 percent three months earlier. References to the availability of lower interest rates on vehicle loans were made by 23 percent of all families in March, up from 15 percent three months earlier.

An important factor in the recent increase in reports of price discounts has been the ending of import quotas on Japanese vehicles. In the March 1985 survey, twelve percent of all families specifically mentioned the impact on vehicle prices from the ending of import quotas. Respondents that spontaneously mentioned the role of import quotas in their evaluations had more favorable car buying attitudes and less favorable unemployment expectations than other respondents. On

balance, the favorable and unfavorable impacts tended to cancel in the aggregate, yielding nearly equal overall sentiment levels (see Table A).

Favorable attitudes toward buying conditions for homes were held by 64 percent of all families in the March 1985 survey, up from 54 percent three months earlier and above the 62 percent recorded one year earlier. The Spring 1985 rebound in home buying attitudes, similar to the Spring rebound one year earlier, completely offset the year-end declines. When asked to explain their views, more families referred to the availability of reduced mortgage rates in March than three months earlier (48 percent, up from 38 percent), and families less frequently complained about high mortgage rates (22 percent, down from 30 percent). References to home prices remained on balance favorable in the March 1985 survey. Among all families, 18 percent referred to the availability of reduced home prices, compared with 15 percent that complained about high prices. The recent increase in the expected level of future interest rates was reflected only in small part by increases in the appeal of borrowing-in-advance of rising interest rates. Since year-end 1984, the proportion of families that have reported borrowing-in-advance rationales has risen from 6 to 10 percent (see Table B).

Favorable attitudes toward buying conditions for large household durables were held by 74 percent of all families in the March 1983 survey, up from 67 percent three months earlier and 72 percent one year earlier. The primary factor underlying these very positive evaluations has been favorable perceptions of market prices for durables. Among all families, 36 percent mentioned the availability of price discounts in the March 1985 survey, just above the year earlier figure of 35 percent. Only 10 percent of all families in the March 1985 survey mentioned high prices as a cause for postponement of purchases.

Financial Prospects

The proportion of families that reported improvement in their personal financial situation fell to 40 percent in the March 1985 survey, from 48 percent one year earlier. While fewer families reported financial progress, the proportion of families that reported that their financial situation had remained unchanged on balance rose to a greater extent (26 to 32 percent) than the

proportion that reported financial reversals (26 to 28 percent). In explaining how their financial situation had changed during the past year, fewer families reported increases in income in March 1985 than one year earlier (34, down from 39 percent), and more families reported decreases in income (17, up from 15 percent). Despite these small declines during the past year, consumers' evaluations of their personal financial situation still remained more favorable than they were at their peak in the late 1970s.

In a similar fashion, consumers' expectations for future improvement in their financial situation declined by a small amount in the March 1985 survey from one year earlier (36, down from 44 percent), while more families expected their financial situation to remain on balance unchanged during the year ahead (49, up from 44 percent). Just 13 percent of all families in the March 1985 survey expected their financial situation to worsen during the year ahead.

Underlying the small decline in financial prospects has been lower expected increases in family incomes. Among all families in the March 1985 survey, 55 percent expected income increases, down from 66 percent in March of 1984. The proportion of families that expected overall income declines rose from 7 to 15 percent during the past year, while the proportion that expected no change in their income rose from 26 to 29 percent.

Business Conditions

The majority of families in the March 1985 survey thought that the national economy had improved during the past year, and the balance of opinion points toward continued economic growth during the year ahead. Evaluations of both current and prospective economic conditions, however, indicate a slowing growth rate. Among all families in the March 1985 survey, 57 percent reported that current economic conditions were an improvement over those that prevailed one year earlier, down from 67 percent in March 1984. Improvement in the economy during the year ahead was expected by 29 percent of all families in March 1985, down from 38 percent in March 1984. Just 15 percent of all families expected declines in the overall economy in the March 1985 survey. The majority of families expected overall economic conditions during the year ahead to remain similar to present conditions (53 percent).

Despite the slowing rate of growth, the majority of families expected the persistence of good times financially in the economy as a whole during the next 12 months. In the March 1985 survey, 62 percent expected good times financially, somewhat below the year earlier reading of 69 percent, but still above the peaks recorded in the late 1970s.

The proportion of families that expected interest rate increases during the year ahead rose sharply in the March 1985 survey, to 45 percent from 35 percent one month earlier. This one month increase offset the year-end 1984 decline, and restored the proportion to last year's level. Just 19 percent of all families expected interest rate declines in the March 1985 survey, down from 30 percent three months earlier, but above the 13 percent recorded in March 1984.

Since the proportion of families that expected declines in the unemployment rate reached its cyclical peak in the Spring of 1983, the proportion holding favorable expectations has decline in a slow and steady fashion. In the March 1985 survey, 23 percent of all families expected the unemployment rate to decline, down from 38 percent one year earlier, and the peak of 42 percent in early 1983. Increases in the unemployment rate were more frequently expected in the March 1985 survey, rising to 29 percent from 16 percent one year earlier. The near majority expected the unemployment rate to remain largely unchanged during the year ahead (47 percent).

Consumers expected the annual rate of inflation to average 4.3% in the March 1985 survey, down from 4.8% one month earlier, and 5.1% one year earlier. Confidence in government economic policies to control inflation and unemployment remained near peak levels in the March survey. Among all families, 32 percent favorably rated government economic policies in March 1985, just below the 33 percent recorded both three months and one year earlier. Unfavorable ratings of government economic policies were given by 22 percent of all families in March 1985, up from 16 percent in December, and 19 percent one year earlier.

* * *

The March 1985 survey was conducted between March 1 and March 28, and included 653 completed interviews.

TABLE A

REFERENCES TO JAPANESE IMPORT QUOTAS
IN EVALUATIONS OF CAR BUYING CONDITIONS
(March 1985)

	Japanese Import Quotas		
	Mentioned	Not Mentioned	Total
All Families	12%	88%	100%
Index of Consumer Sentiment	92.3	93.9	93.7
Car Market			
Good	85%	65%	67%
Pro-con	1	6	6
Bad	14	29	27
Total	100%	100%	100%
(G-B)+100	171	136	140
Unemployment Expectations			
Decrease	20%	23%	23%
Same	34	50	48
Increase	46	27	29
Total	100%	100%	100%
(D-I)+100	74	96	94

TABLE B

REFERENCES TO INTEREST RATES IN SUPPORT
OF FAVORABLE BUYING CONDITIONS

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6
8407	5	5	21	16	16	8
8408	6	2	22	13	12	5
8409	6	2	22	12	11	4
8410	7	4	24	11	10	4
8411	8	3	33	11	15	3
8412	8	2	32	6	12	3
8501	10	1	42	7	21	2
8502	9	2	42	8	23	1
8503	8	2	38	10	21	2

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable refererces to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

5/9/85 U7475-2A

SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Institute for Social Research

TABLES AND CHARTS

APRIL 1985

The April 1985 survey is the 199th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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TABLE OF CONTENTS

CHART/ TABLE	TITLE
1	THE INDEX OF CONSUMER SENTIMENT
2	INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS
3	COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT
4	CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO
5	SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION
6	EXPECTED CHANGE IN FINANCIAL SITUATION
7	TREND IN PERSONAL FINANCIAL SITUATION
8	EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS
9	PAST CHANGE IN REAL FAMILY INCOME
10	EXPECTED CHANGE IN REAL FAMILY INCOME
11	TREND IN FAMILY INCOME AND PRICE COMPARISON
12	NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS
13	SELECTED ITEMS OF NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS
14	CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO
15	EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR
16	REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR
17	TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS
18	BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS
19	BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS
20	EXPECTED CHANGE IN UNEMPLOYMENT
21	EXPECTED CHANGE IN INTEREST RATES
22	CHANGE IN PRICES DURING THE LAST 12 MONTHS
23	EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS
24	UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP
25	OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY
26	BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS
27	SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS
28	BUYING CONDITIONS FOR HOUSES
29	SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES
30	BUYING CONDITIONS FOR CARS
31	SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS
32	PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS
33	CURRENT VEHICLE PURCHASE INTENTIONS
34	FUTURE VEHICLE PURCHASE INTENTIONS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

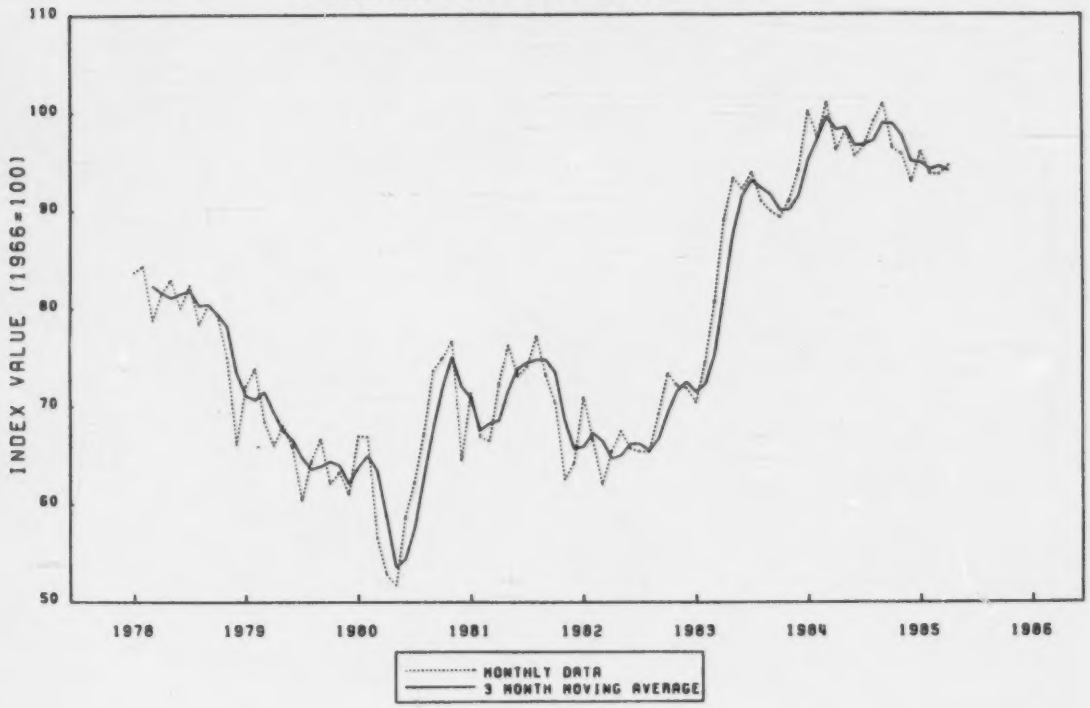


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

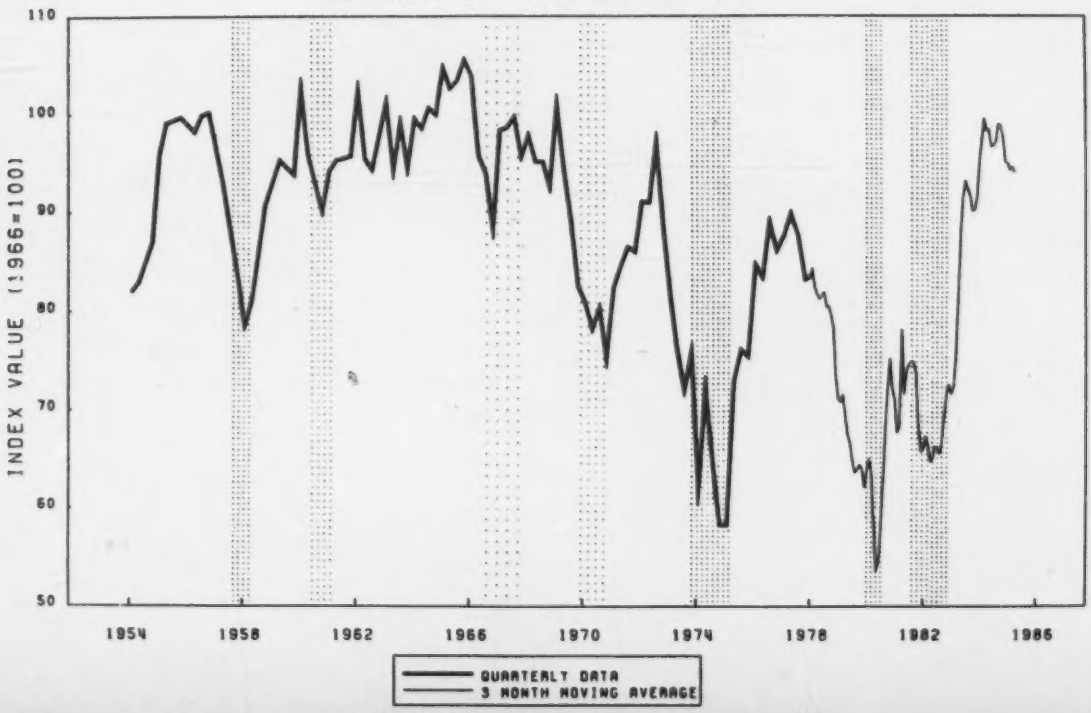


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY		All families	Families with incomes over $20,000	Families with incomes over $25,000
April	1982	65.5	71.5	73.2
May	1982	67.5	72.7	74.8
June	1982	65.7	71.4	72.9
July	1982	65.4	68.9	69.2
August	1982	65.4	71.0	73.6
September	1982	69.3	78.4	81.1
October	1982	73.4	77.5	80.9
November	1982	72.1	79.3	81.1
December	1982	71.9	78.0	80.5
January	1983	70.4	78.2	78.8
February	1983	74.6	79.9	81.3
March	1983	80.8	88.4	88.9
April	1983	89.1	97.1	99.0
May	1983	93.3	99.6	101.0
June	1983	92.2	101.2	102.5
July	1983	93.9	104.4	106.5
August	1983	90.9	101.2	103.5
September	1983	89.9	99.0	102.3
October	1983	89.3	99.5	101.9
November	1983	91.1	97.2	98.8
December	1983	94.2	101.7	104.5
January	1984	100.1	112.0	114.2
February	1984	97.4	109.6	111.2
March	1984	101.0	110.9	114.2
April	1984	96.1	103.9	105.5
May	1984	98.1	105.6	107.1
June	1984	95.5	104.4	104.5
July	1984	96.6	103.2	102.8
August	1984	99.1	106.7	109.2
September	1984	100.9	109.7	111.7
October	1984	96.3	106.2	107.7
November	1984	95.7	108.6	111.0
December	1984	92.9	99.2	100.1
January	1985	96.0	104.1	106.7
February	1985	93.7	105.4	107.4
March	1985	93.7	106.5	108.8
April	1985	94.6	102.8	107.9

CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

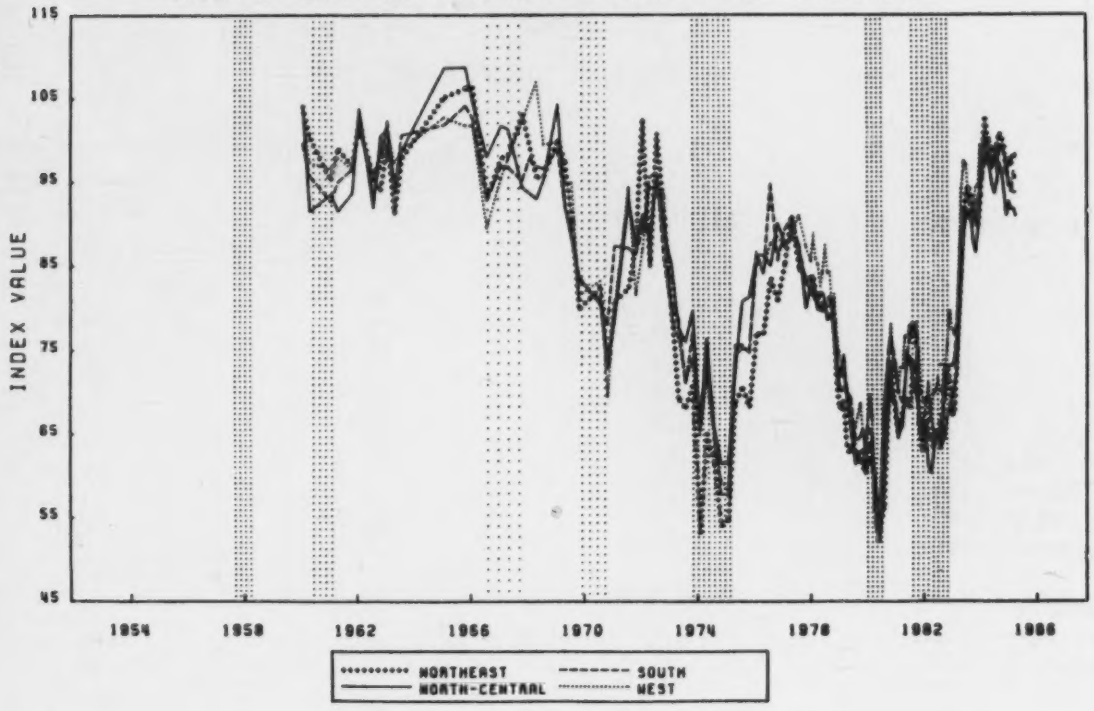


CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

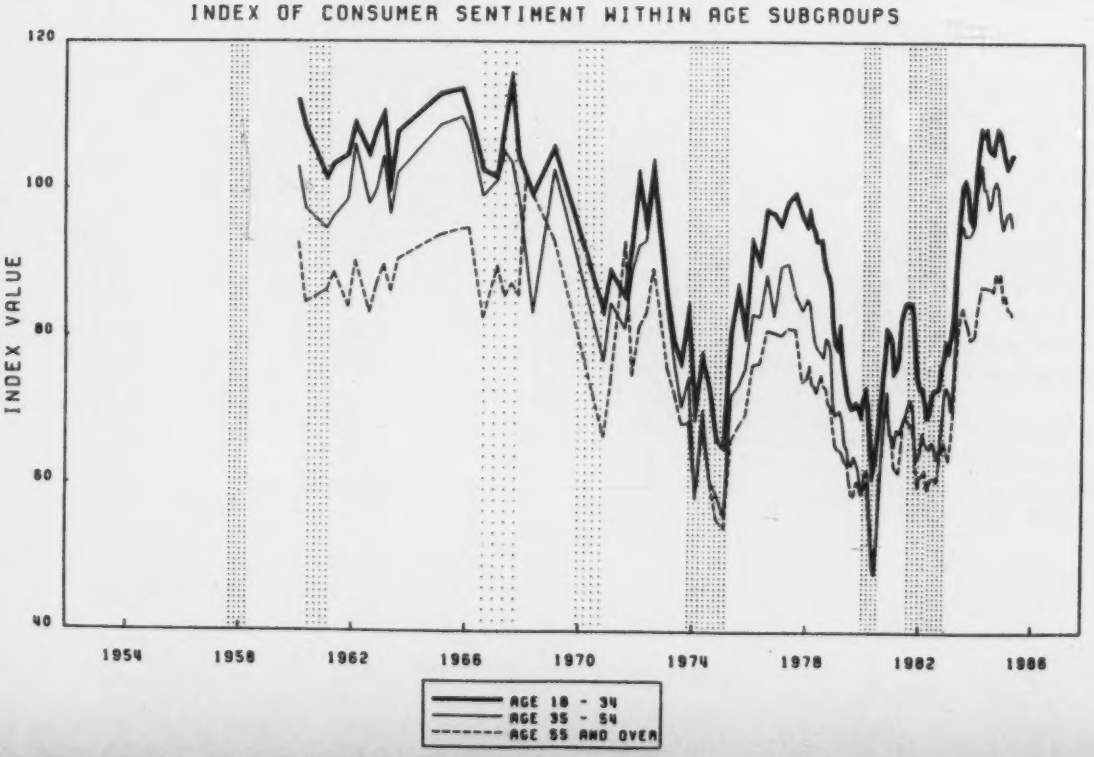


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY		CENSUS REGION				AGE OF RESPONDENT		
		North East	North Central	South	West	18-34	35-54	55+
April	1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May	1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June	1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1
August	1984	103.1	100.2	97.5	95.4	106.8	105.3	85.2
September	1984	105.0	99.3	99.7	99.9	108.5	99.9	93.3
October	1984	92.5	89.4	100.9	101.7	108.9	95.5	84.2
November	1984	100.3	93.3	95.6	94.1	105.5	94.0	88.1
December	1984	94.8	90.3	93.4	94.0	102.9	94.1	82.2
January	1985	98.2	94.5	94.6	97.8	104.2	99.0	86.6
February	1985	97.9	90.4	96.6	89.7	102.0	97.0	82.3
March	1985	98.3	90.6	89.8	101.1	104.7	94.7	82.0
April	1985	98.1	91.7	94.8	95.3	106.9	92.9	84.3

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

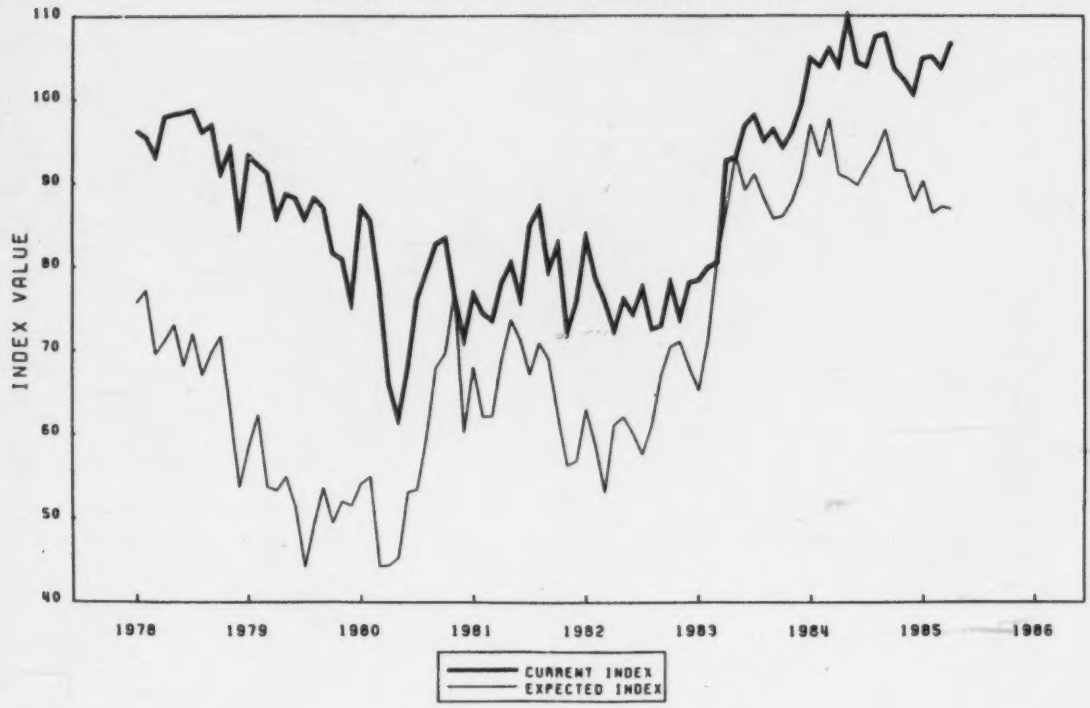


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

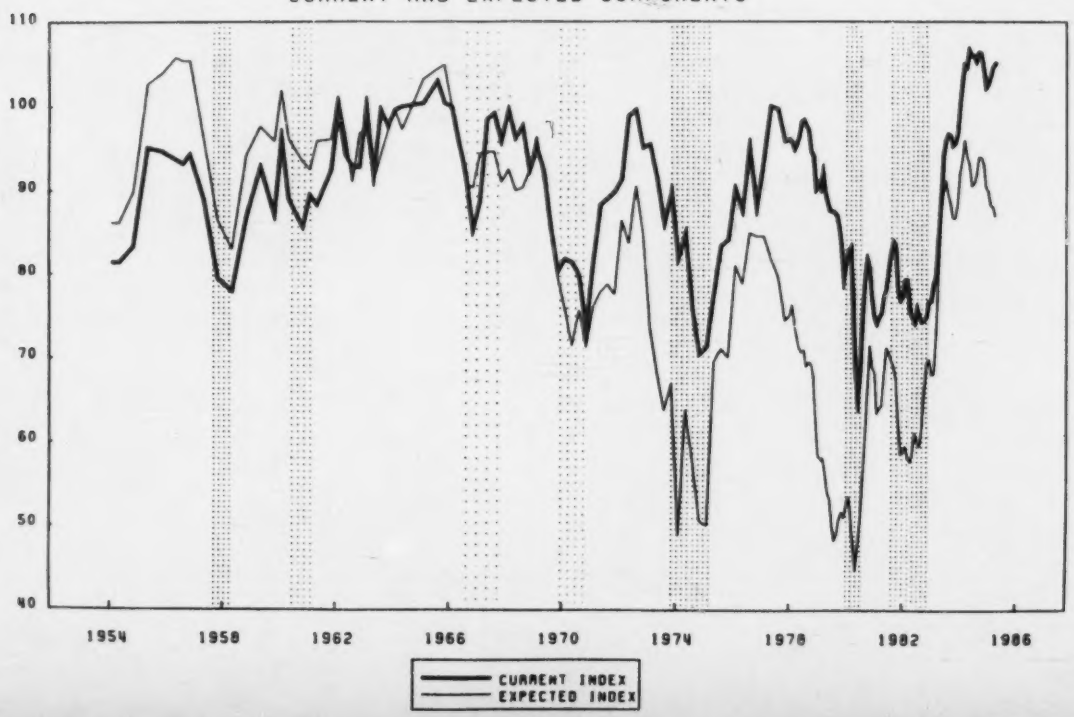


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current (1)	Expected (2)	12 months (3)	5 years (4)	Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9
August 1984	125	129	137	111	153	107.5	93.7
September 1984	125	131	142	116	154	107.8	96.4
October 1984	118	127	134	107	150	103.6	91.6
November 1984	121	129	132	107	144	102.4	91.5
December 1984	118	125	131	98	143	100.6	87.9
January 1985	119	124	135	104	153	104.9	90.3
February 1985	115	120	131	96	158	105.1	86.5
March 1985	112	123	133	96	156	103.7	87.3
April 1985	116	127	128	95	161	106.6	87.0

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

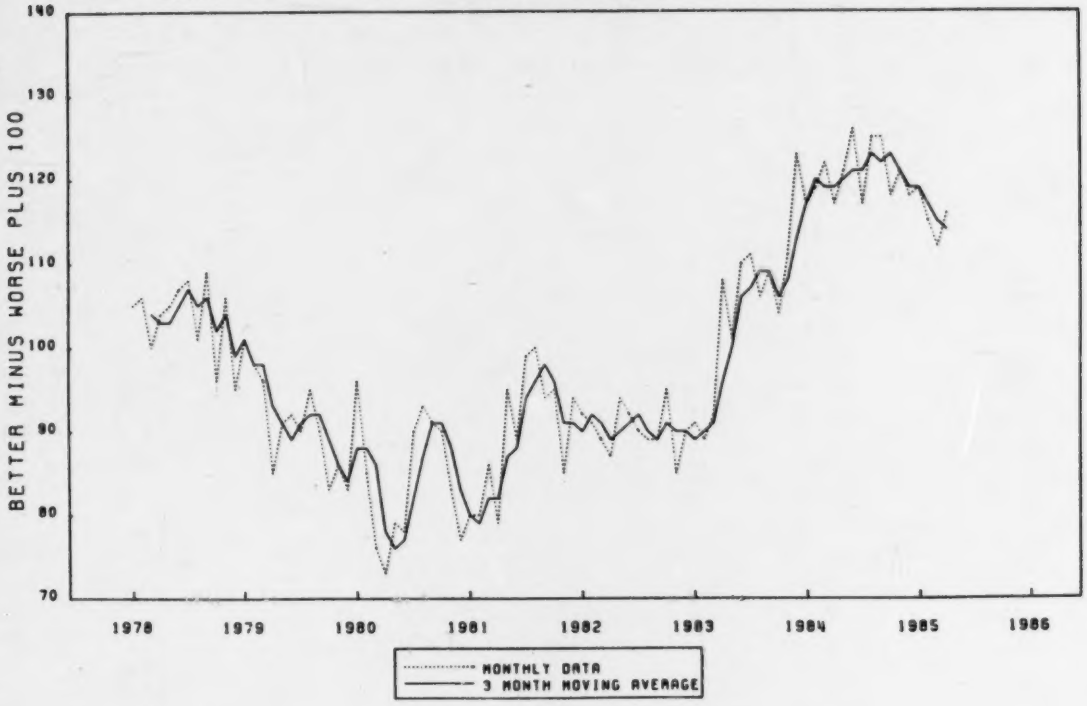


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

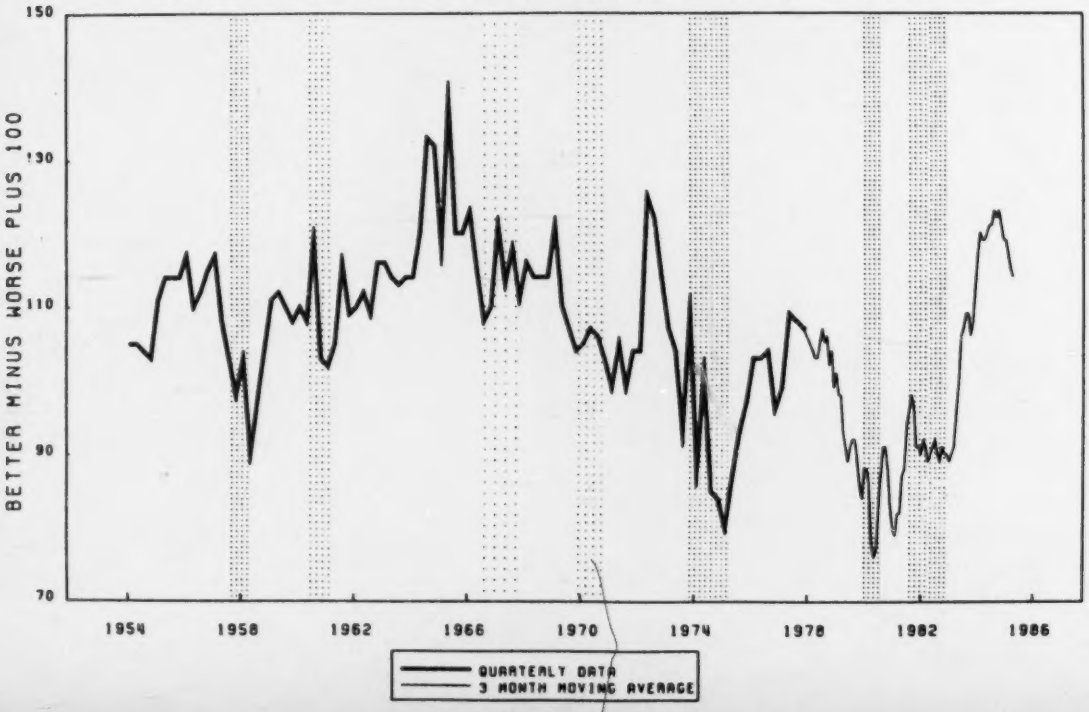


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER OFF	43%	44%	47%	42%	48%	45%	44%	46%	44%	42%	42%	40%	41%
SAME	30	33	31	33	29	35	30	29	30	35	31	32	34
WORSE OFF	26	23	21	25	23	20	26	25	26	23	27	28	25
DK,NA	1	*	1	*	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

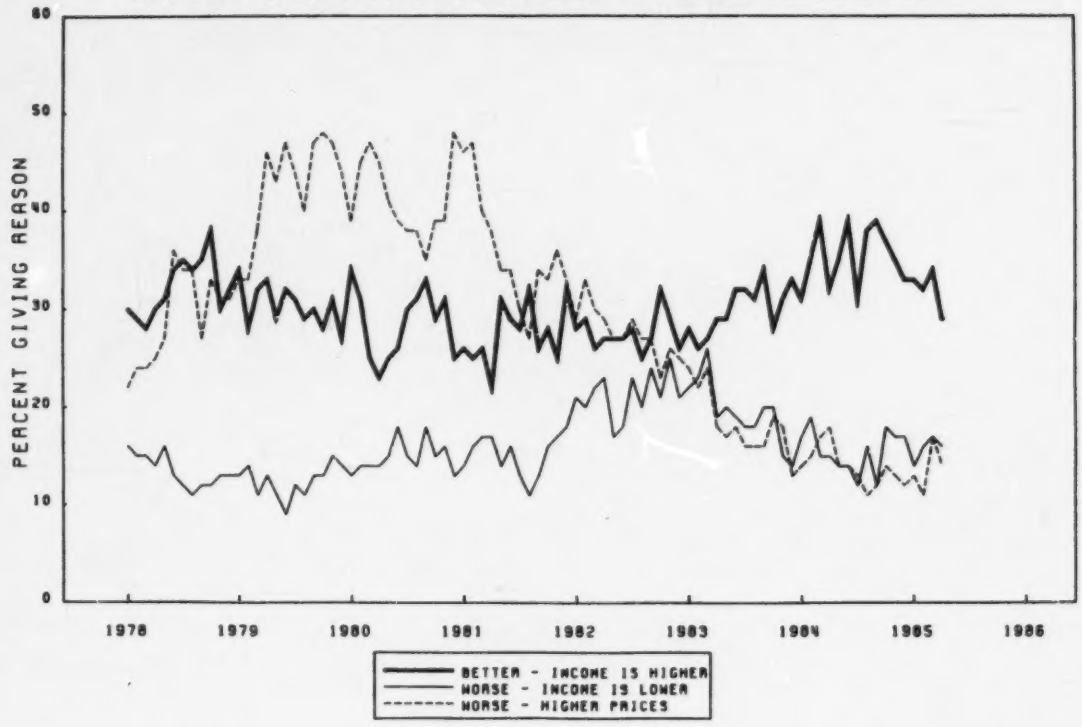


CHART 5 - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

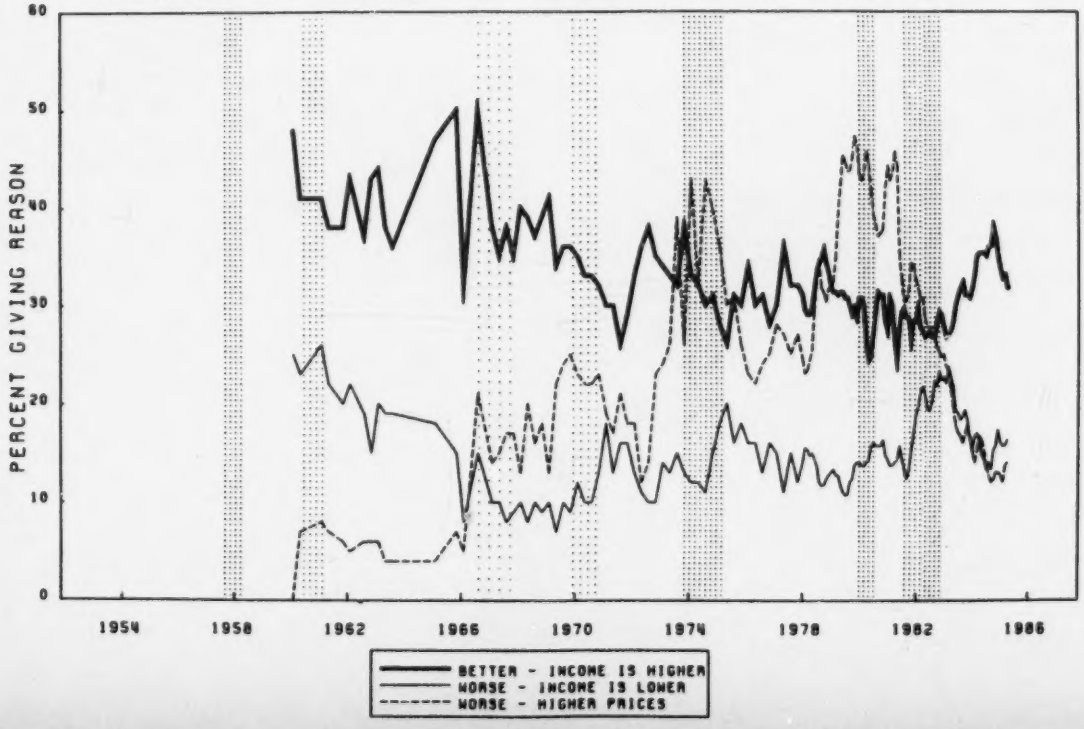


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER OFF THAN YEAR AGO:													
Income is higher	32%	35%	39%	31%	38%	39%	37%	35%	33%	33%	32%	34%	29%
WORSE OFF THAN YEAR AGO:													
Income is lower	15	14	14	12	16	12	18	17	17	14	16	17	16
Higher prices	18	14	14	13	11	12	14	13	12	13	11	17	14

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

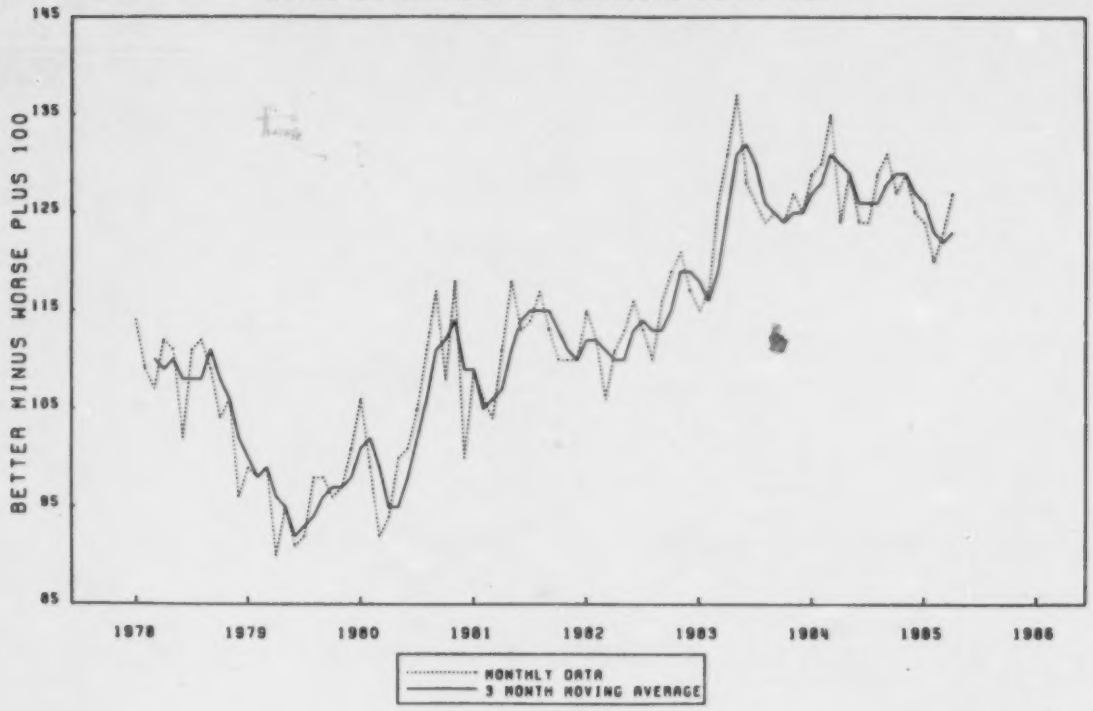


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

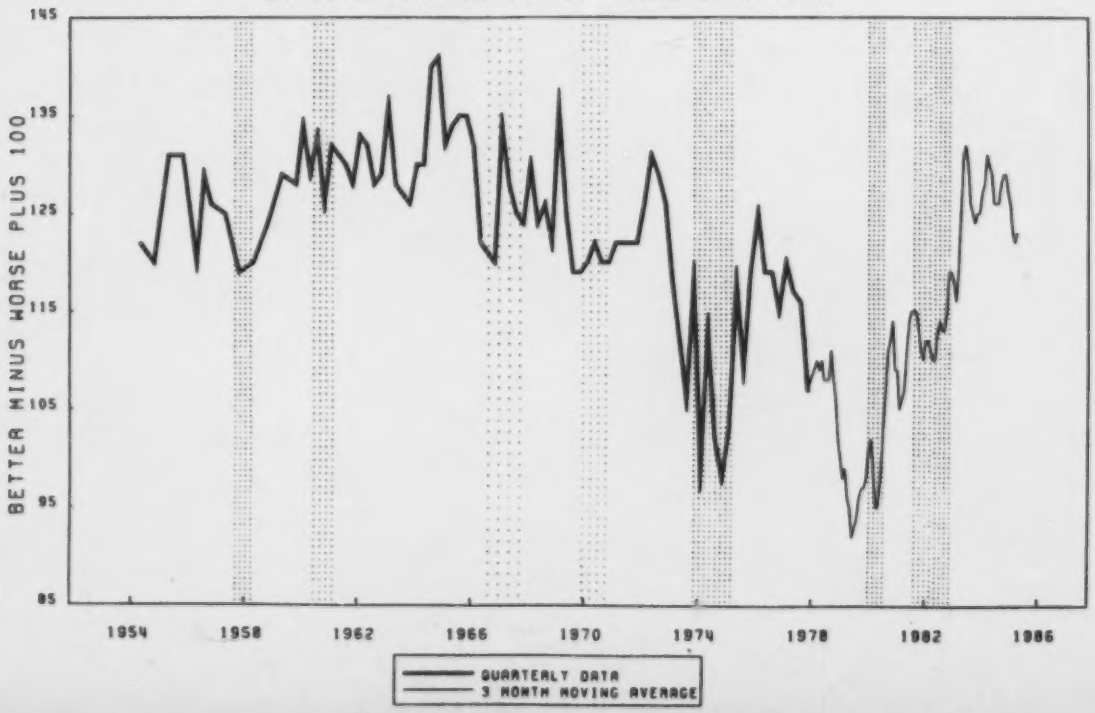


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER OFF	37%	40%	35%	34%	38%	39%	38%	39%	36%	35%	33%	36%	37%
SAME	48	47	52	51	49	49	47	48	50	52	50	49	49
WORSE OFF	13	11	11	10	9	8	11	10	11	11	13	13	10
DK,NA	2	2	2	5	4	4	4	3	3	2	4	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES
TREND IN PERSONAL FINANCIAL SITUATION

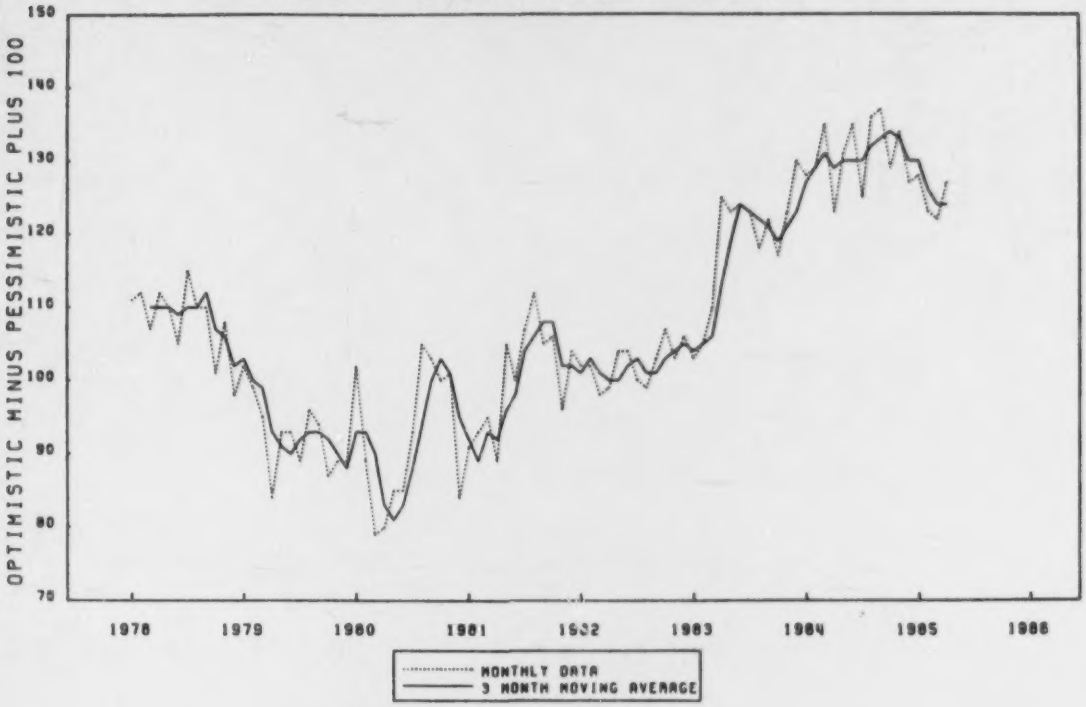


CHART 7 - HISTORICAL SERIES
TREND IN PERSONAL FINANCIAL SITUATION

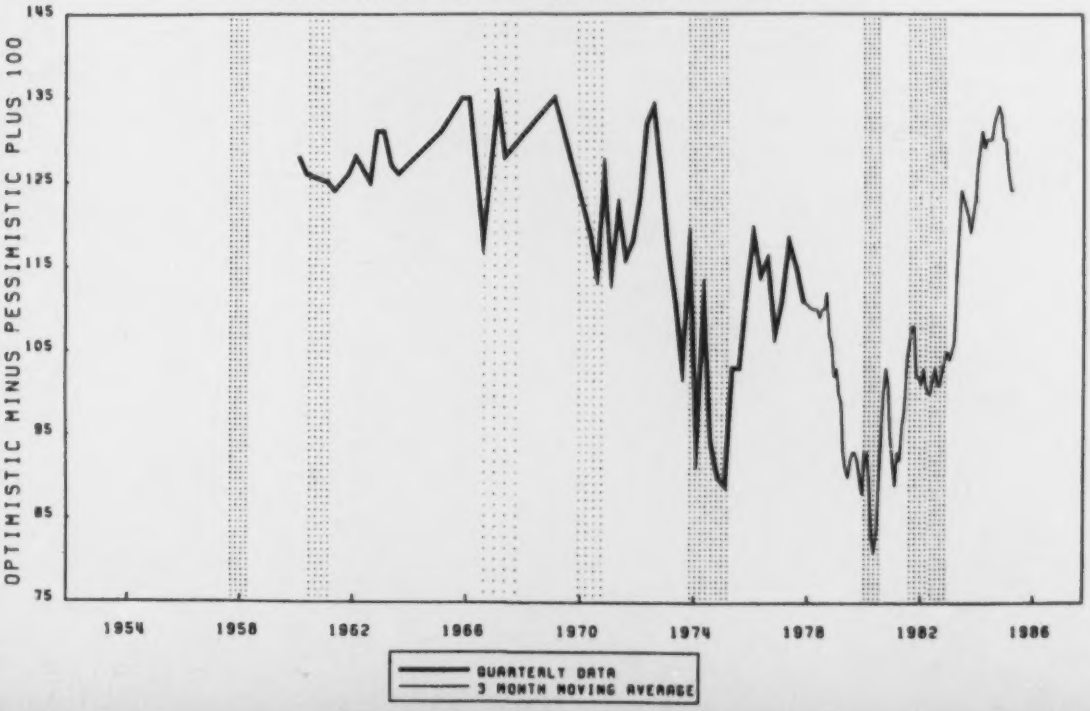


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	23%	23%	20%	22%	24%	25%	21%	21%	23%	19%	20%	20%	22%
Intermittent increase (b)	22	24	32	24	30	28	28	32	25	28	24	26	26
Remain unchanged (c)	19	21	19	21	17	20	17	15	19	22	20	18	20
Intermittent decline (d)	16	12	12	16	13	12	15	14	15	15	15	18	16
Continuous decline (e)	6	4	5	5	5	4	5	5	6	4	6	6	5
Mixed change (f)	11	14	10	7	8	7	10	10	9	9	12	10	8
DK,NA	3	2	2	5	3	4	4	3	3	3	3	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

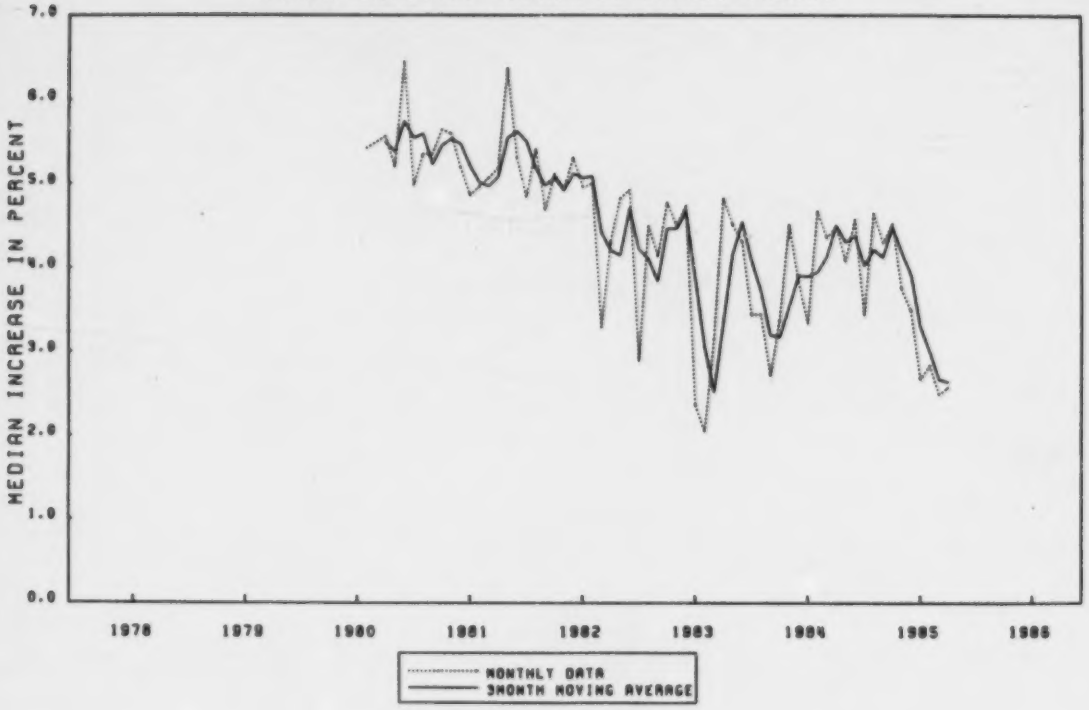


CHART 8 - HISTORICAL SERIES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

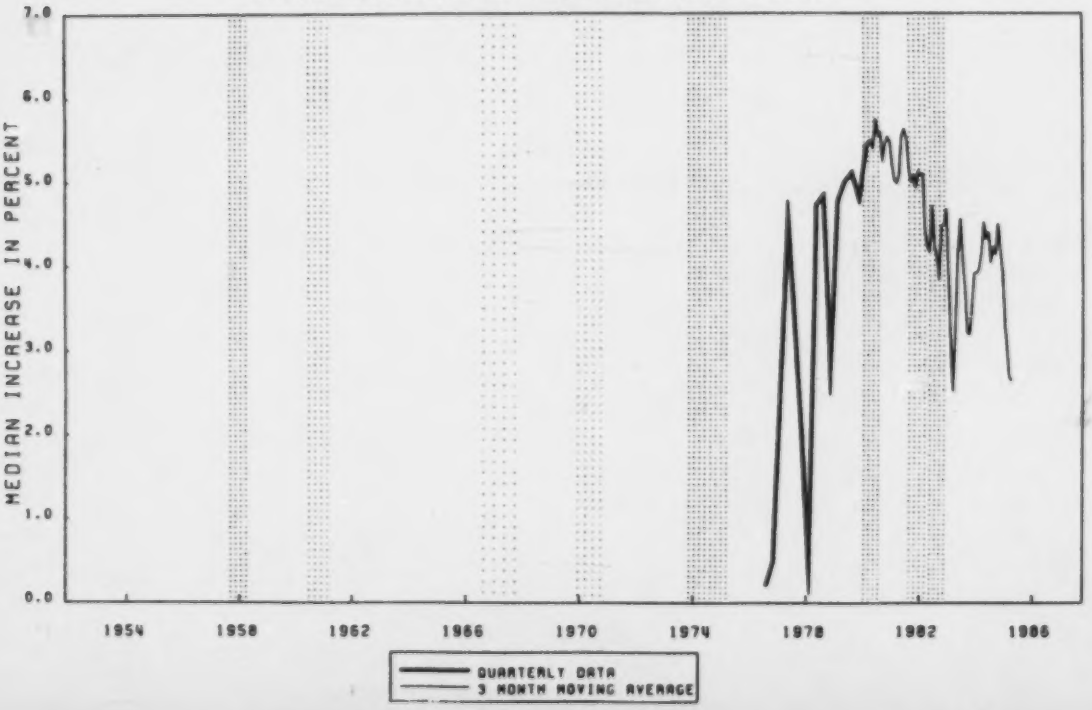


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
EXPECT INCREASE:													
1-4%	11%	11%	12%	17%	13%	15%	10%	13%	12%	12%	14%	12%	11%
5%	11	9	11	12	11	10	10	9	10	9	11	11	9
6-9%	8	7	12	8	11	10	8	7	8	9	6	7	7
10-24%	18	21	17	17	18	18	20	19	17	17	16	13	17
25% or more	8	8	7	6	7	7	8	8	7	6	7	8	8
DK how much up	5	6	3	4	3	4	5	6	7	3	3	4	3
EXPECT SAME	22	26	24	23	24	23	25	23	23	27	26	29	30
EXPECT DOWN	15	11	11	11	11	11	12	13	15	16	16	15	14
DK,NA	2	1	3	2	2	2	2	2	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

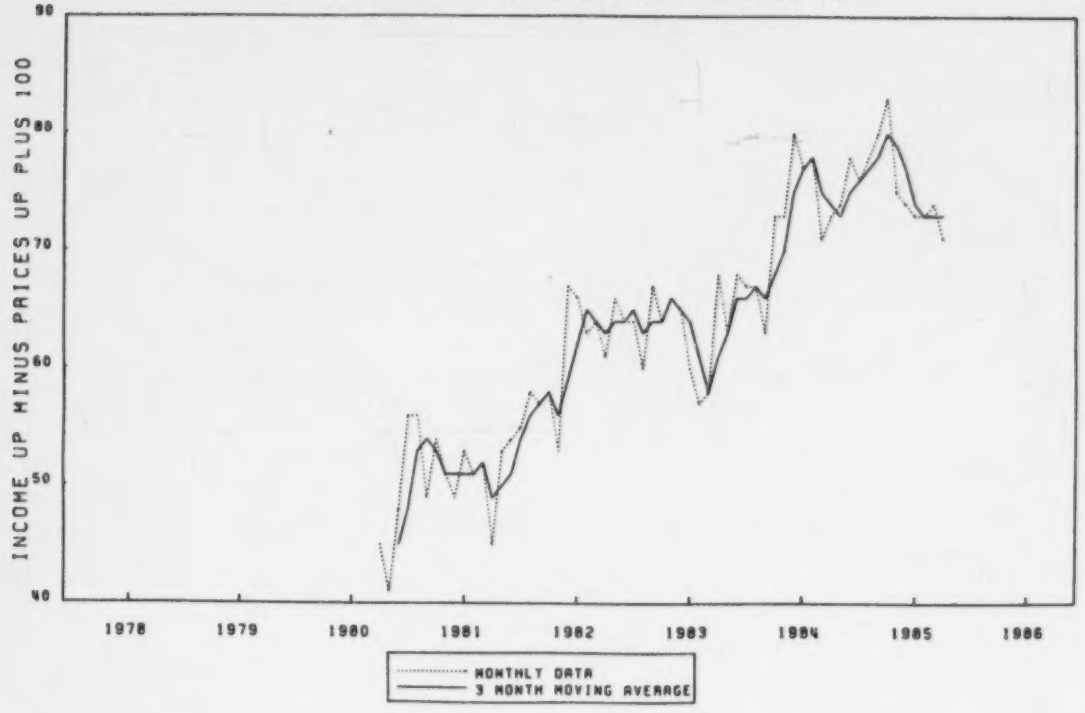


CHART 9 - HISTORICAL SERIES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

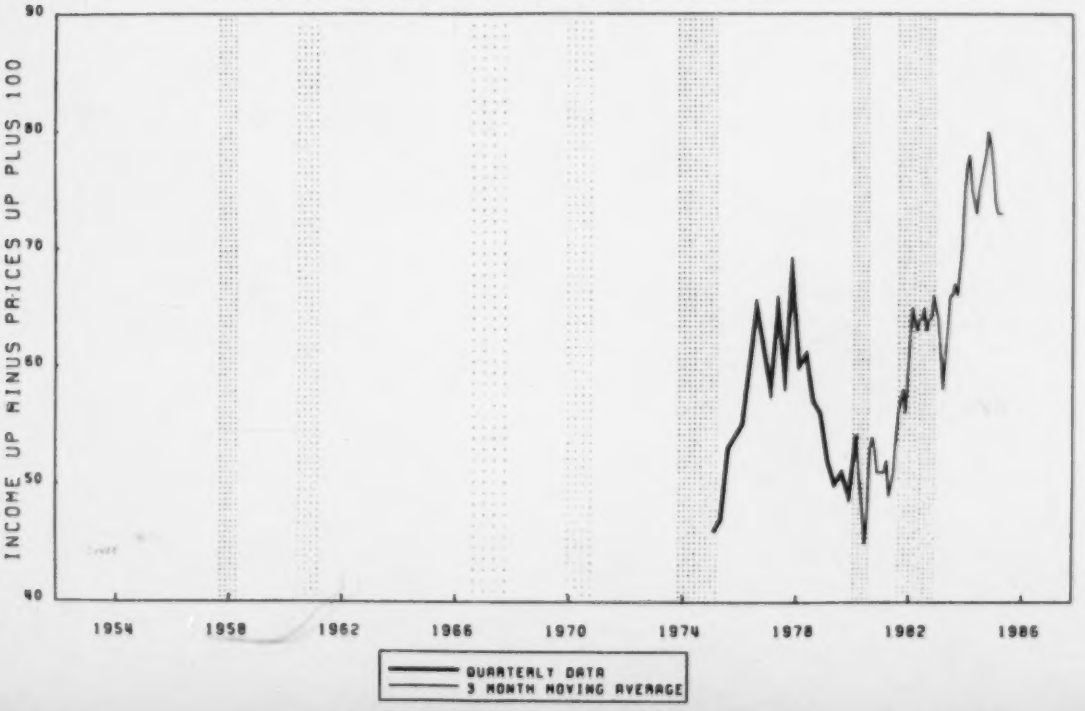


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
INCOME UP MORE	20%	20%	21%	21%	21%	22%	25%	21%	19%	16%	19%	19%	18%
INCOME UP SAME	32	33	34	33	34	36	31	31	35	40	34	35	34
PRICES UP MORE	47	46	43	45	43	42	42	46	45	43	46	45	47
DK,NA	1	1	2	1	2	*	2	2	1	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

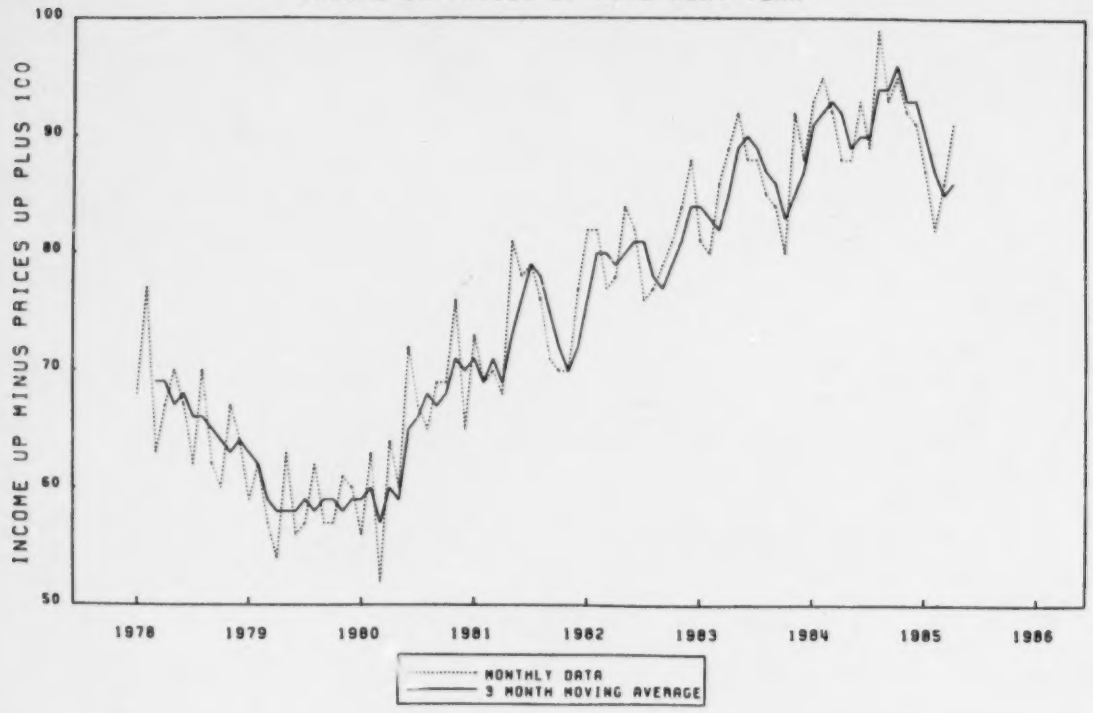


CHART 10 - HISTORICAL SERIES

INCOME OR PRICES UP MORE NEXT YEAR

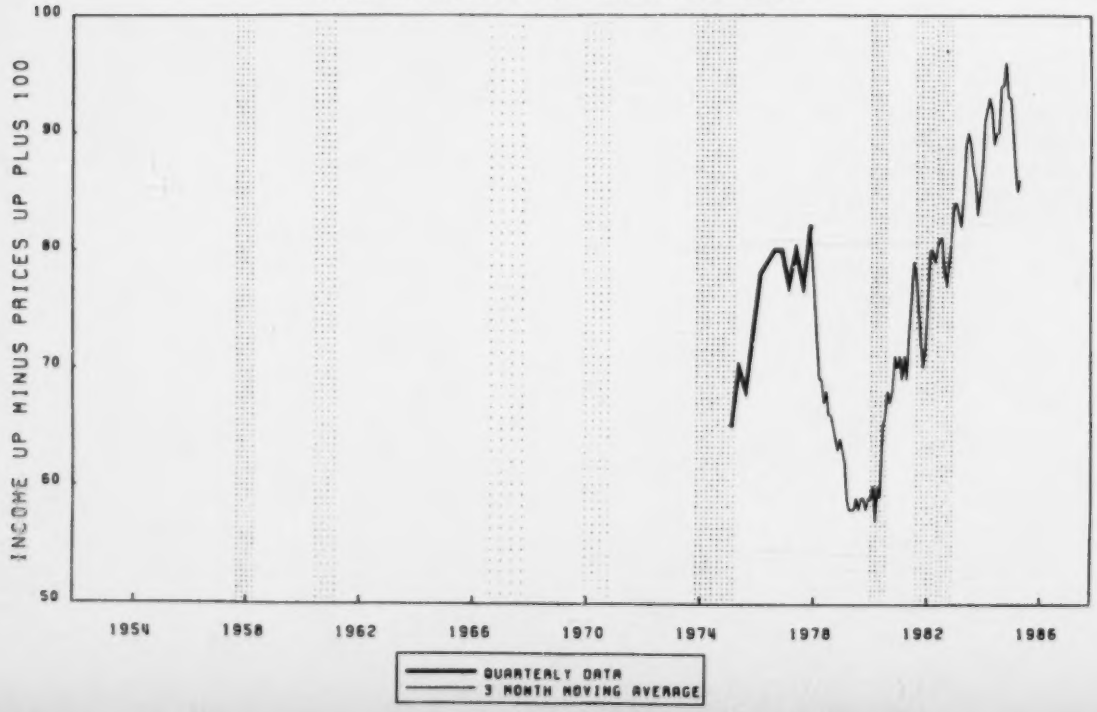


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
INCOME UP MORE	21%	22%	22%	22%	25%	23%	25%	23%	21%	20%	20%	18%	23%
INCOME UP SAME	43	42	47	41	45	44	43	44	46	45	40	49	42
PRICES UP MORE	33	34	29	33	26	30	30	31	30	33	38	32	32
DK,NA	3	2	2	4	4	3	2	2	3	2	2	1	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES
TREND IN INCOME AND PRICE COMPARISON

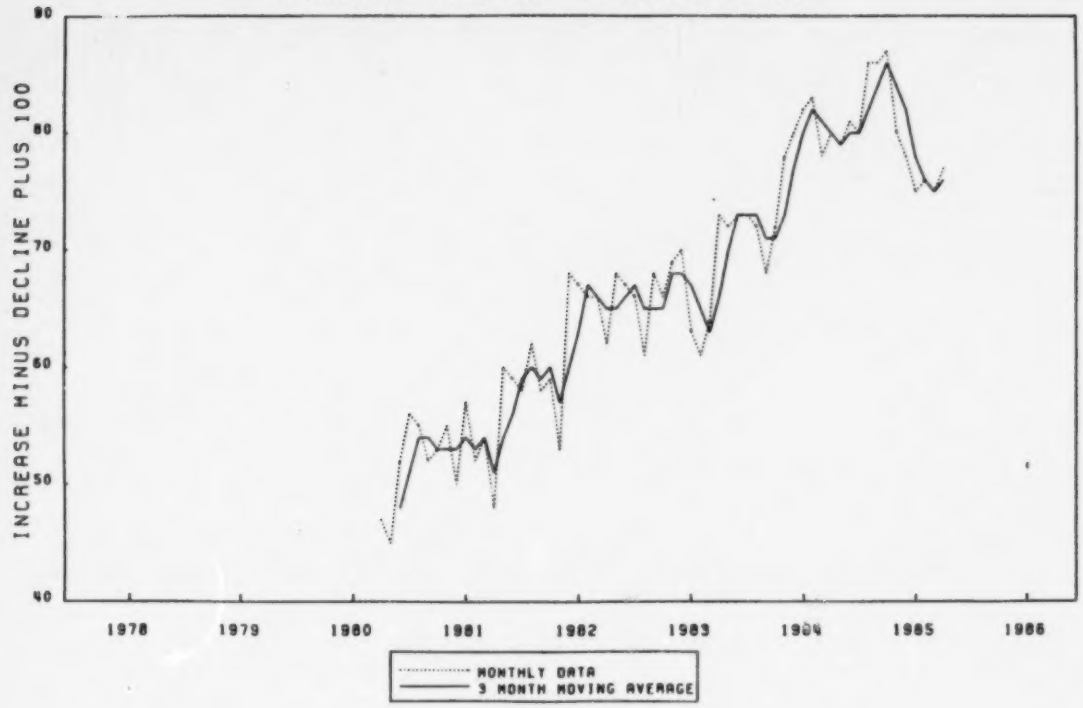


CHART 11 - HISTORICAL SERIES
TREND IN INCOME AND PRICE COMPARISON

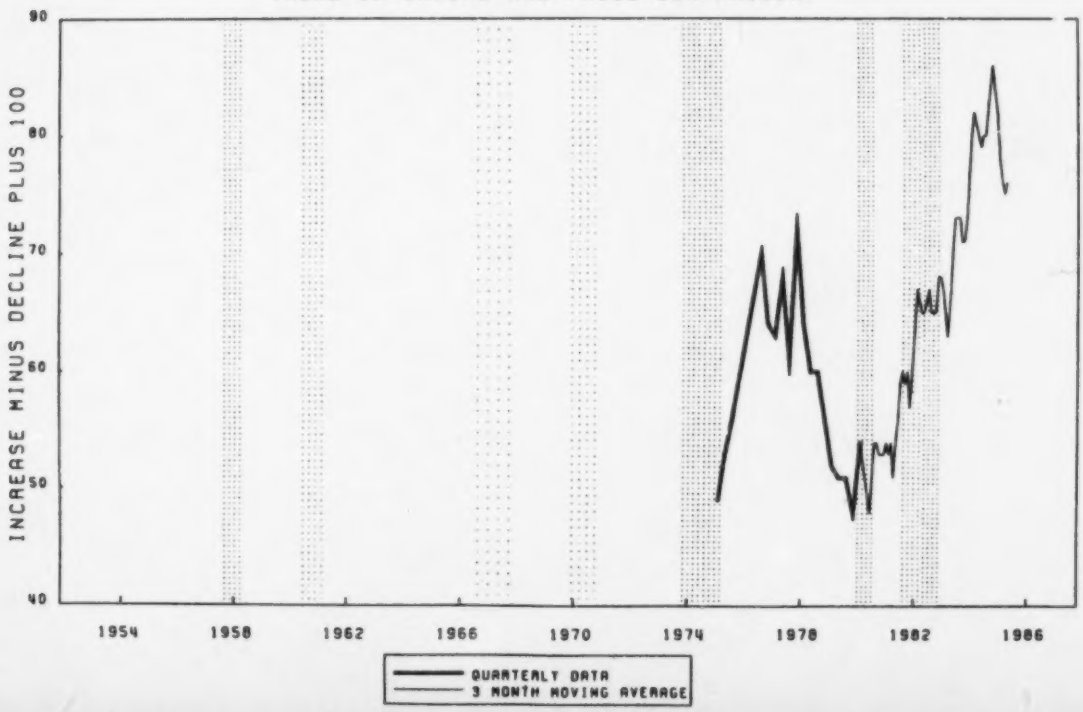


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
REAL INCOME PROGRESS:													
Continuous increase (a)	10%	9%	11%	10%	12%	12%	14%	12%	10%	8%	10%	9%	11%
Intermittent increase (b)	14	17	13	14	15	16	14	14	12	13	14	14	11
Remain unchanged (c)	21	17	22	20	21	22	20	19	23	24	20	23	22
Intermittent decline (d)	18	22	23	20	22	20	18	22	22	23	19	24	20
Continuous decline (e)	26	25	20	24	19	22	23	24	22	23	29	24	25
Mixed change (f)	7	7	8	8	6	5	7	6	8	6	6	4	7
DK,NA	4	3	3	4	5	3	4	3	3	3	2	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

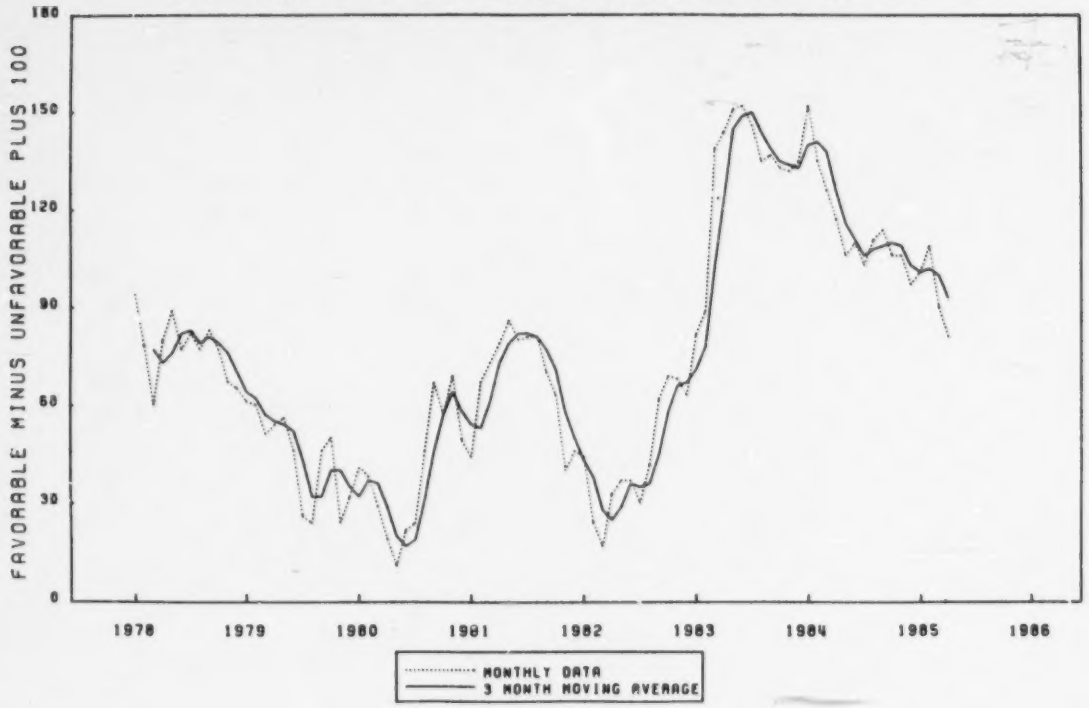


CHART12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

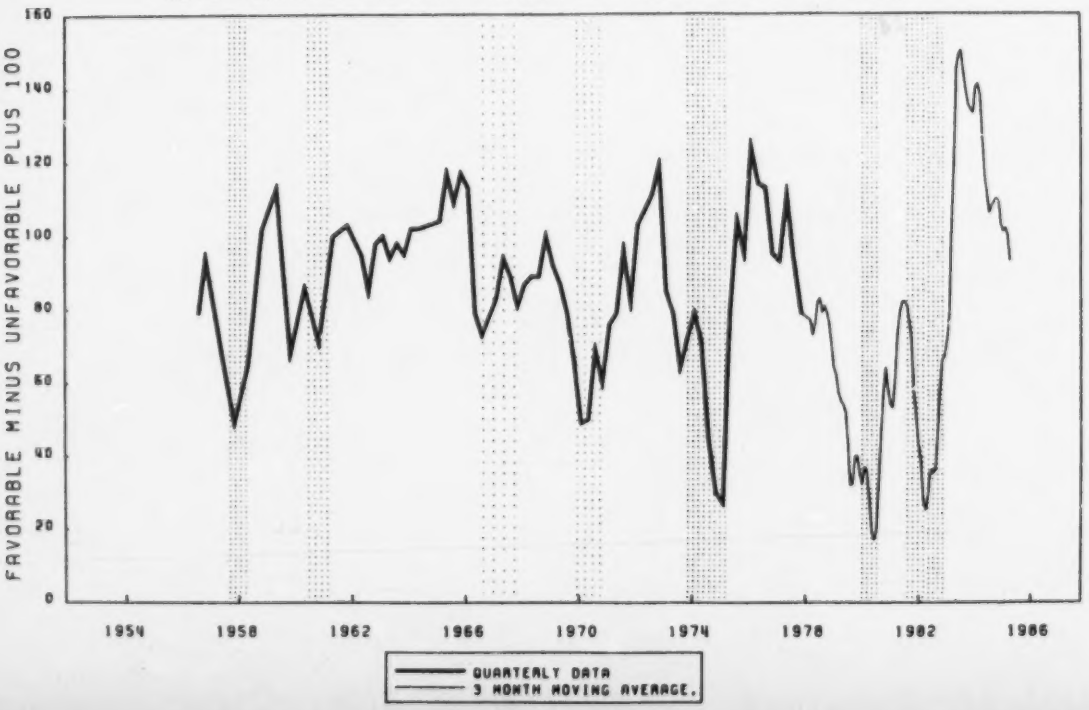


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
FAVORABLE NEWS	49%	47%	50%	42%	51%	52%	44%	41%	39%	43%	50%	35%	30%
UNFAVORABLE NEWS	32	41	40	39	40	38	38	35	42	42	41	45	49
NO MENTIONS	46	41	41	46	39	41	44	49	46	44	41	48	49

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

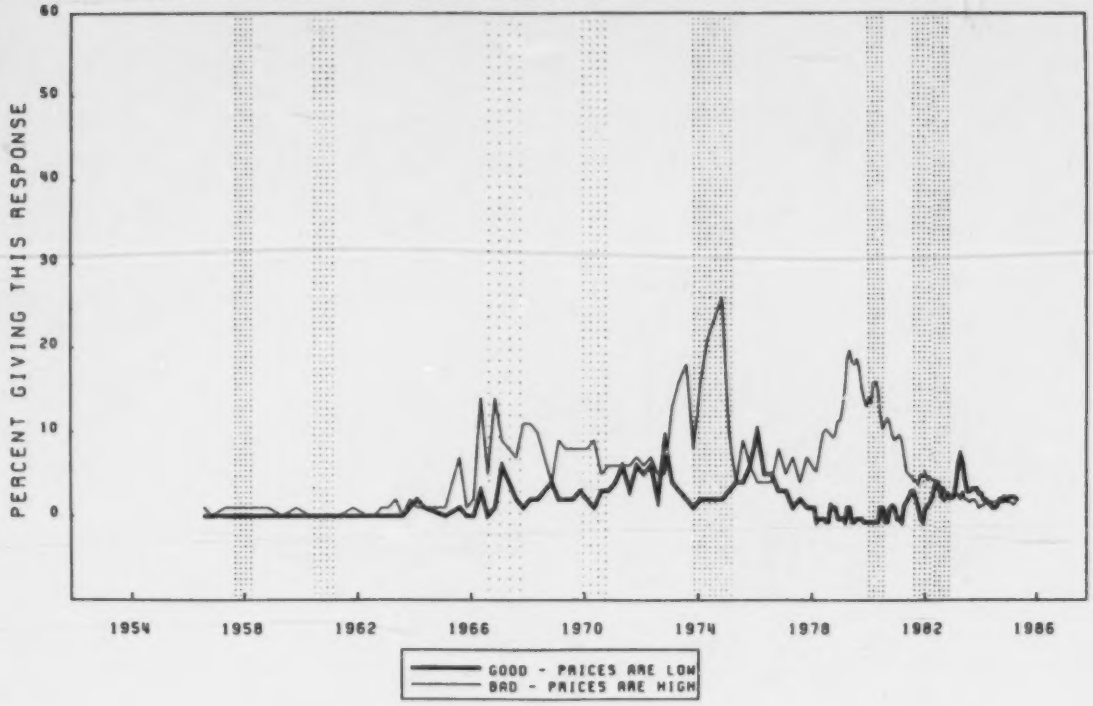


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

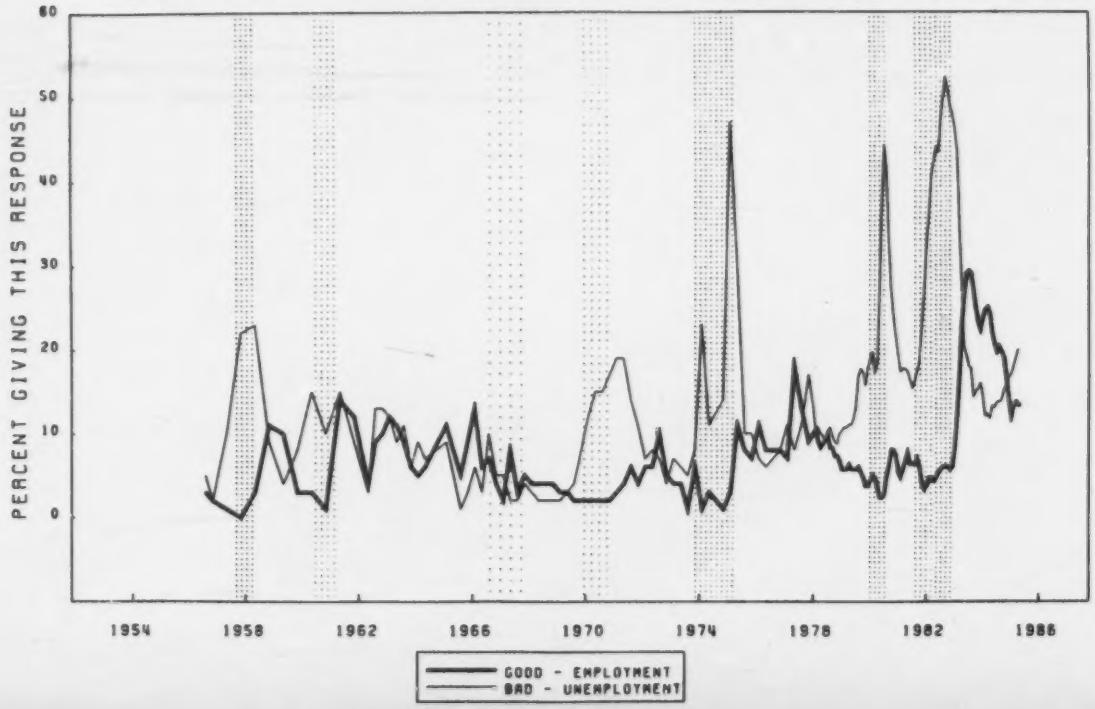


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
FAVORABLE NEWS:													
Government; elections	1%	1%	2%	2%	2%	3%	1%	2%	3%	4%	3%	2%	1%
Employment	23	18	21	20	20	19	18	13	11	12	17	12	11
Consumer demand high	8	10	8	4	7	7	5	4	5	5	5	5	3
Prices are low	1	1	1	1	2	3	1	3	2	2	3	2	1
Credit is easy	4	2	3	2	4	3	4	8	9	10	9	5	4
UNFAVORABLE NEWS:													
Government; elections	2	3	2	4	4	4	3	3	6	5	6	5	5
Unemployment	11	15	13	13	15	14	17	16	17	18	19	20	21
Consumer demand low	*	2	1	2	2	2	1	2	3	3	3	2	3
Prices are high	1	2	2	1	2	2	1	2	2	1	2	1	2
Credit is tight	9	10	12	13	9	6	5	3	2	2	1	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

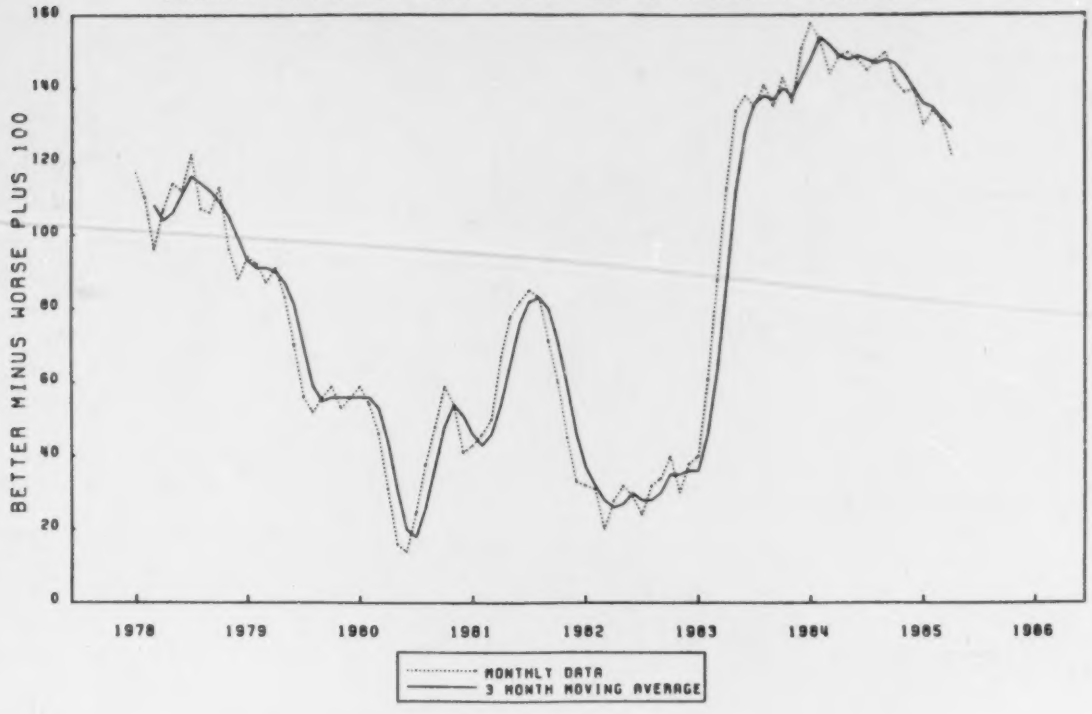


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

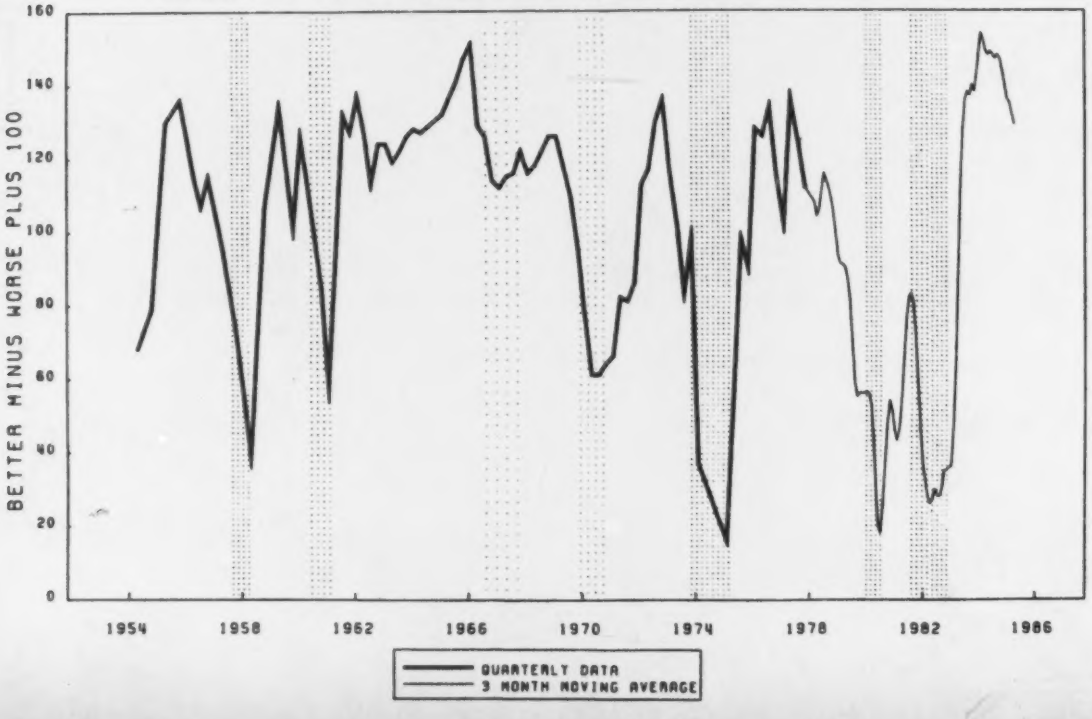


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER NOW	68%	70%	67%	67%	68%	68%	65%	63%	63%	57%	60%	57%	51%
SAME	11	9	12	9	11	12	10	12	13	14	12	15	17
WORSE NOW	19	20	19	22	20	18	23	24	23	27	26	26	29
DK,NA	2	1	2	2	1	2	2	1	1	2	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

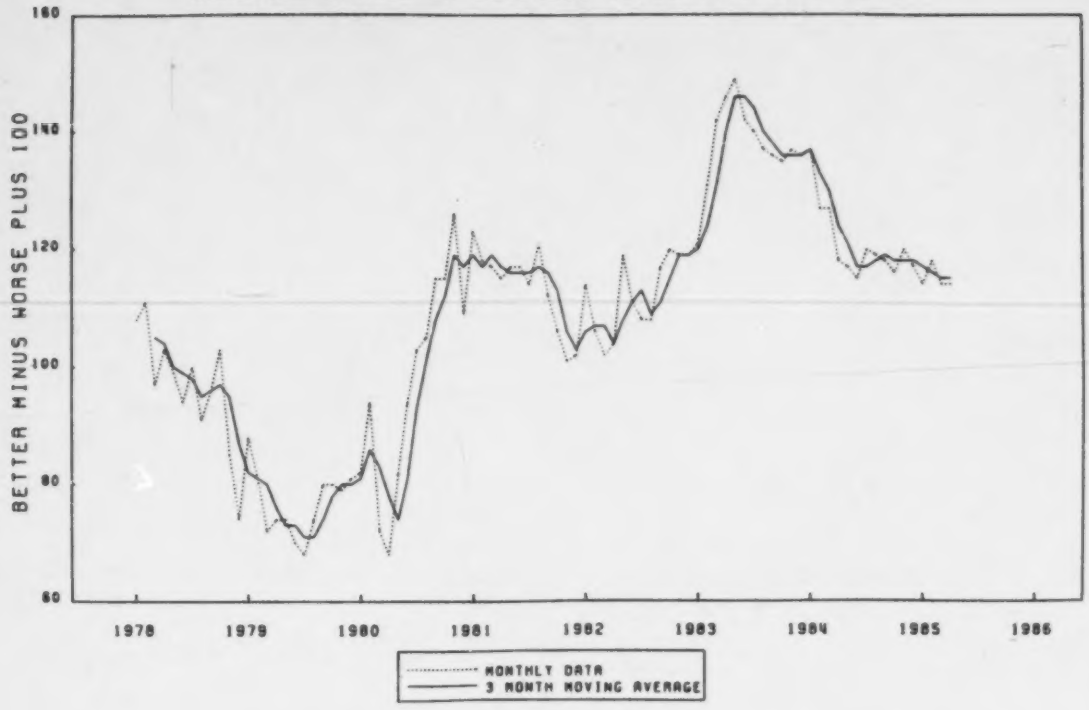


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

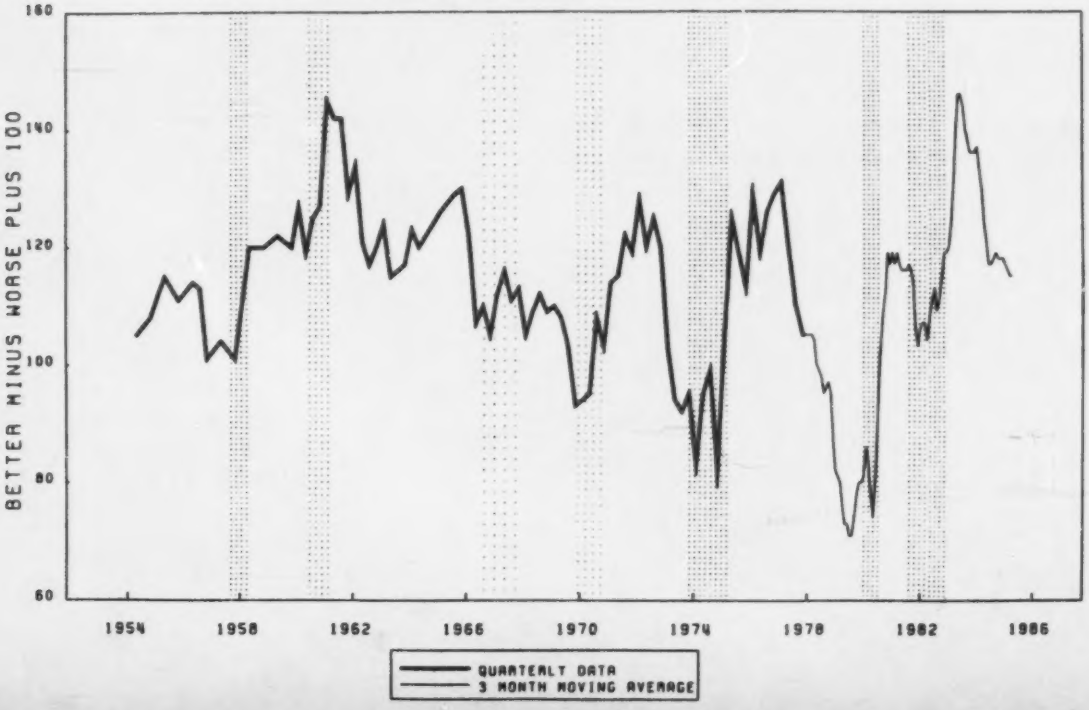


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
BETTER	32%	31%	30%	32%	33%	33%	32%	35%	33%	29%	33%	29%	29%
SAME	52	53	53	51	49	48	49	48	47	55	50	53	53
WORSE	14	14	15	12	14	15	16	15	16	15	15	15	15
DK,NA	2	2	2	5	4	4	3	2	4	1	2	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

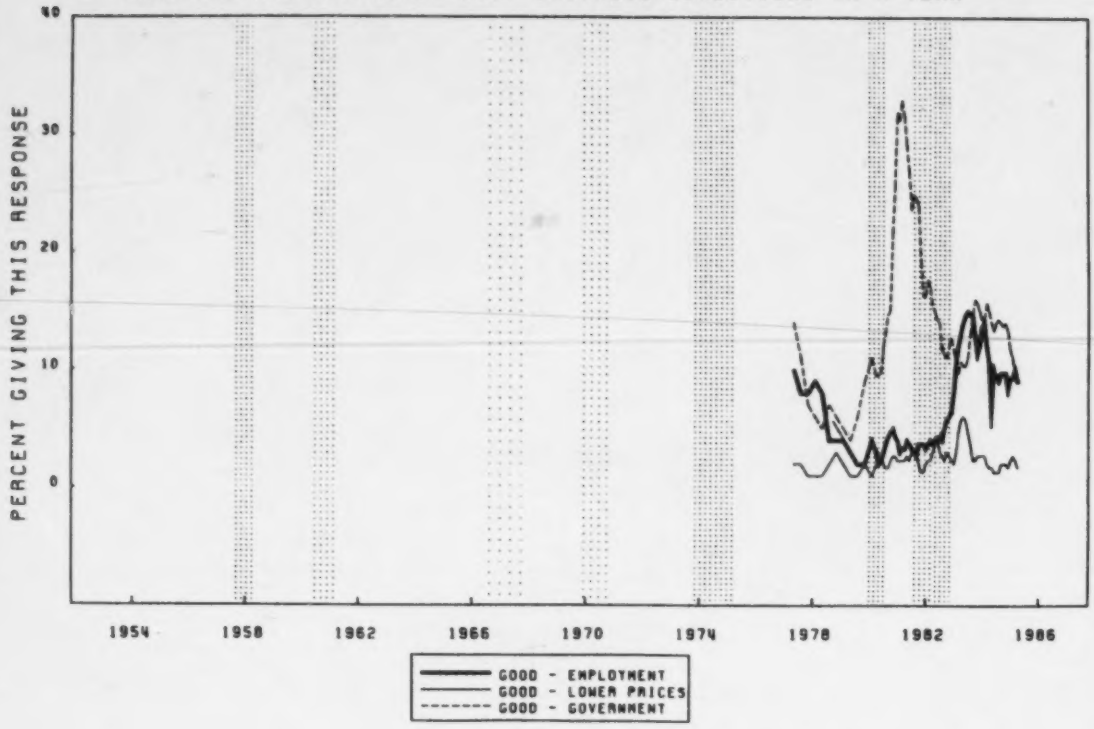


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

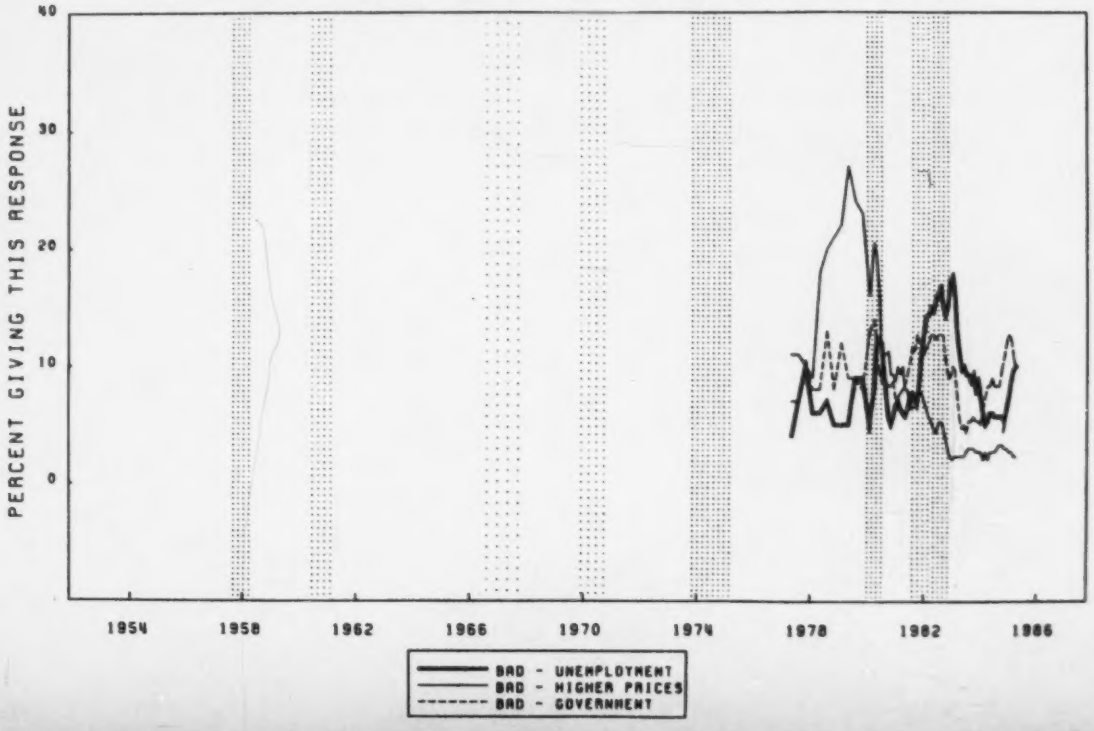


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
FAVORABLE REASONS:													
Government; elections	13%	12%	15%	15%	13%	14%	14%	14%	12%	9%	12%	8%	9%
Employment	11	9	10	9	8	12	9	8	8	12	8	10	9
Higher consumer demand	4	5	4	5	5	2	2	5	4	4	4	5	5
Lower prices	1	2	1	1	2	3	1	2	2	3	3	1	1
Easier credit	2	2	2	4	4	4	3	5	6	4	4	4	3
UNFAVORABLE REASONS:													
Government; elections	7	9	11	5	9	11	9	12	15	11	11	10	9
Unemployment	7	6	5	6	6	5	6	5	8	9	9	11	10
Lower consumer demand	2	2	2	2	3	2	2	3	4	2	2	4	4
Higher prices	2	3	2	3	4	3	3	3	3	2	3	2	2
Tighter credit	7	7	8	7	5	4	4	3	3	4	3	2	2
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

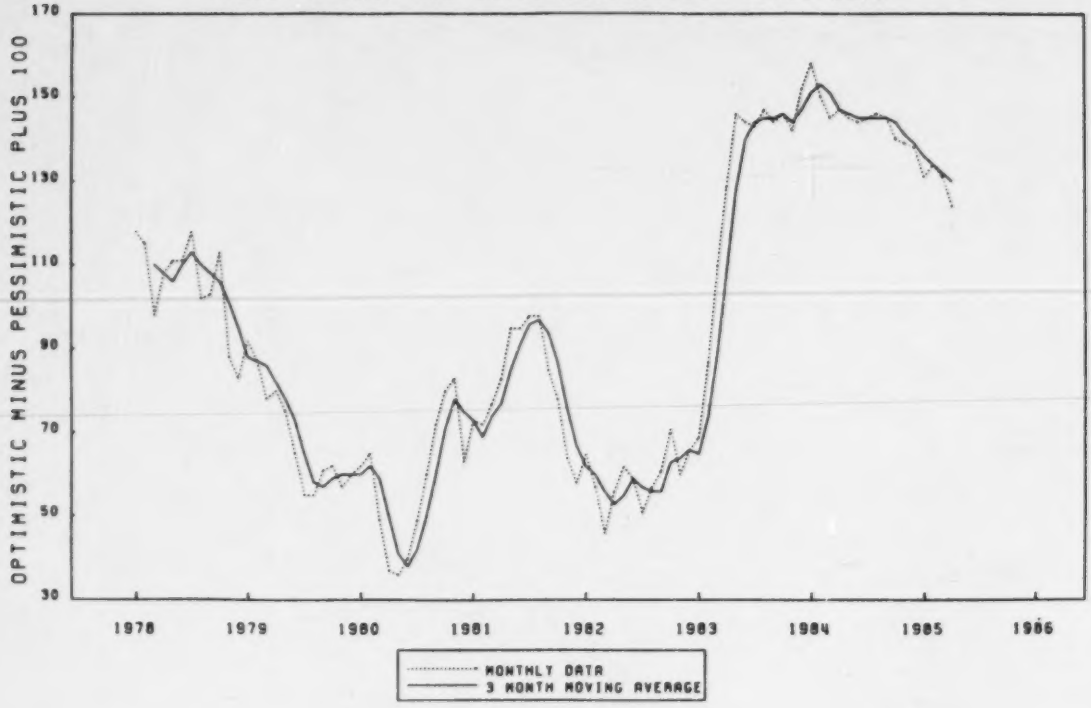


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

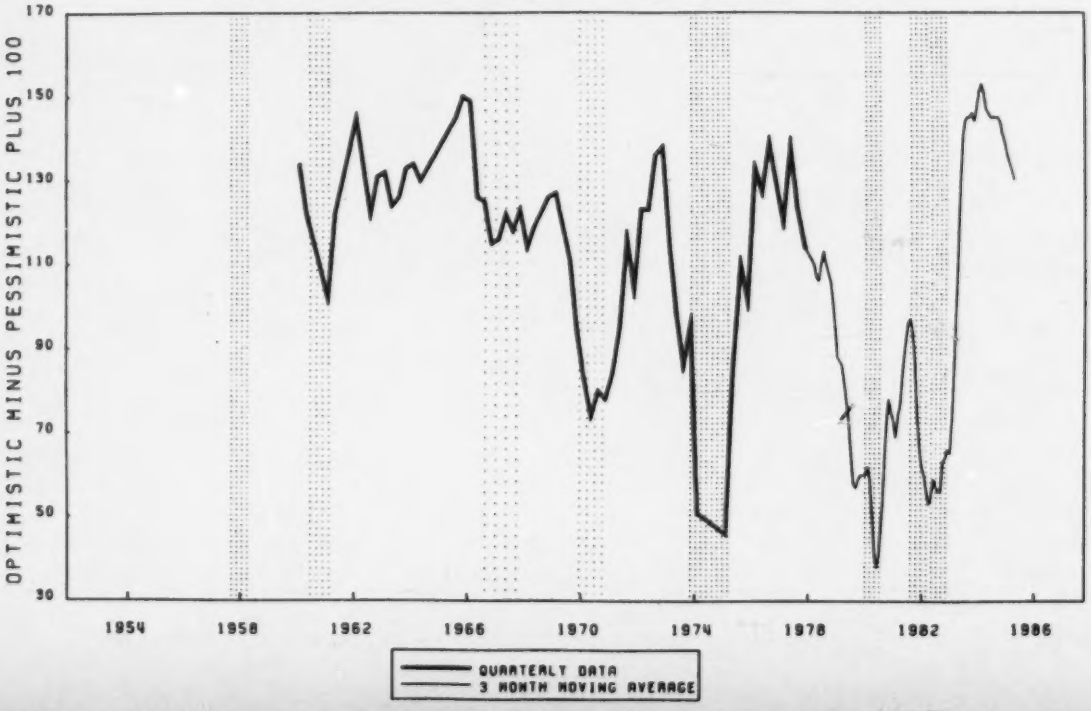


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
TREND:													
Continuous increase (a)	25%	27%	25%	25%	25%	27%	24%	28%	27%	21%	26%	22%	21%
Intermittent increase (b)	39	36	37	38	36	35	36	32	32	36	31	33	29
Remain unchanged (c)	7	7	7	4	6	6	5	6	7	8	7	9	11
Intermittent decline (d)	10	13	11	12	10	11	12	14	13	17	15	15	18
Continuous decline (e)	7	5	7	6	5	6	8	7	8	9	8	9	8
Mixed change (f)	9	10	9	9	12	10	10	9	9	7	9	8	8
DK,NA	3	2	4	6	6	5	5	4	4	2	4	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

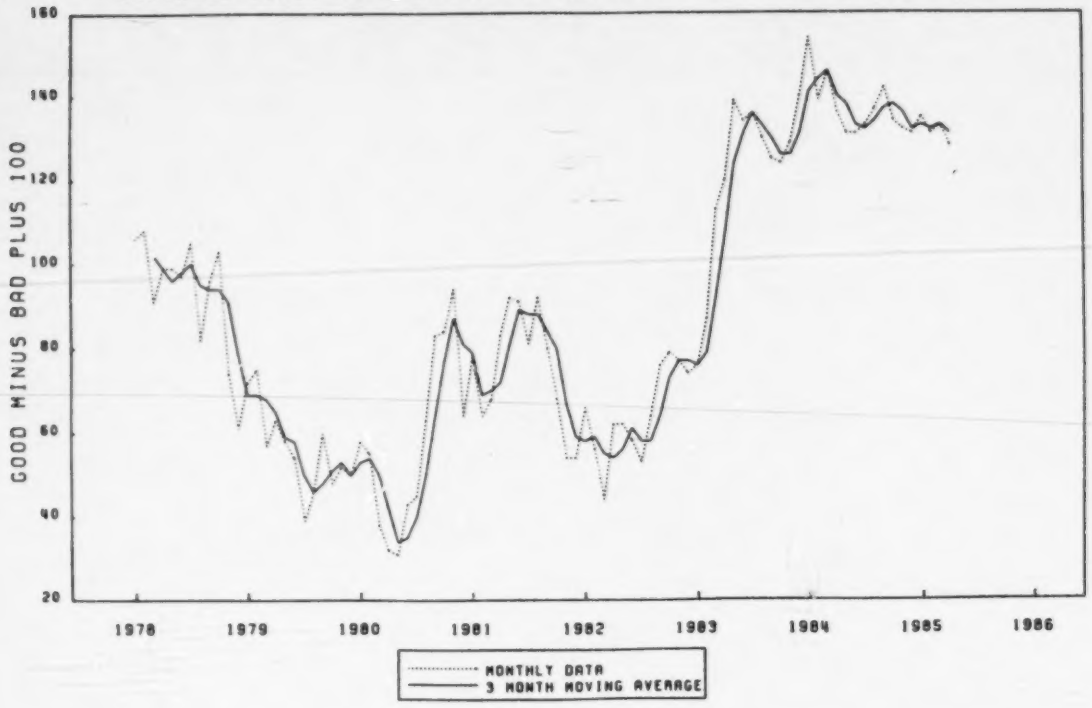


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

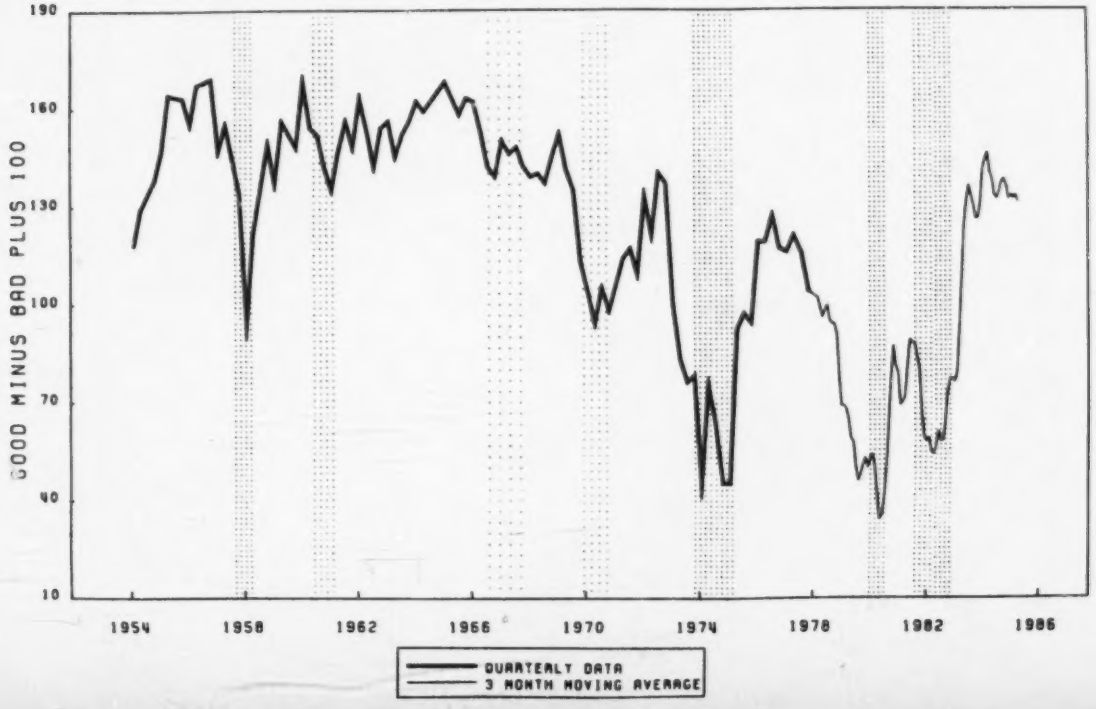


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIMES	63%	60%	60%	61%	62%	66%	60%	59%	59%	63%	62%	62%	58%
UNCERTAIN; GOOD & BAD	3	3	2	2	3	3	4	3	3	4	2	2	3
BAD TIMES	27	29	29	28	25	24	26	27	28	28	31	29	30
DON'T KNOW	5	5	6	6	7	6	6	7	7	4	3	5	6
NOT ASCERTAINED	2	3	3	3	3	1	4	4	3	1	2	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

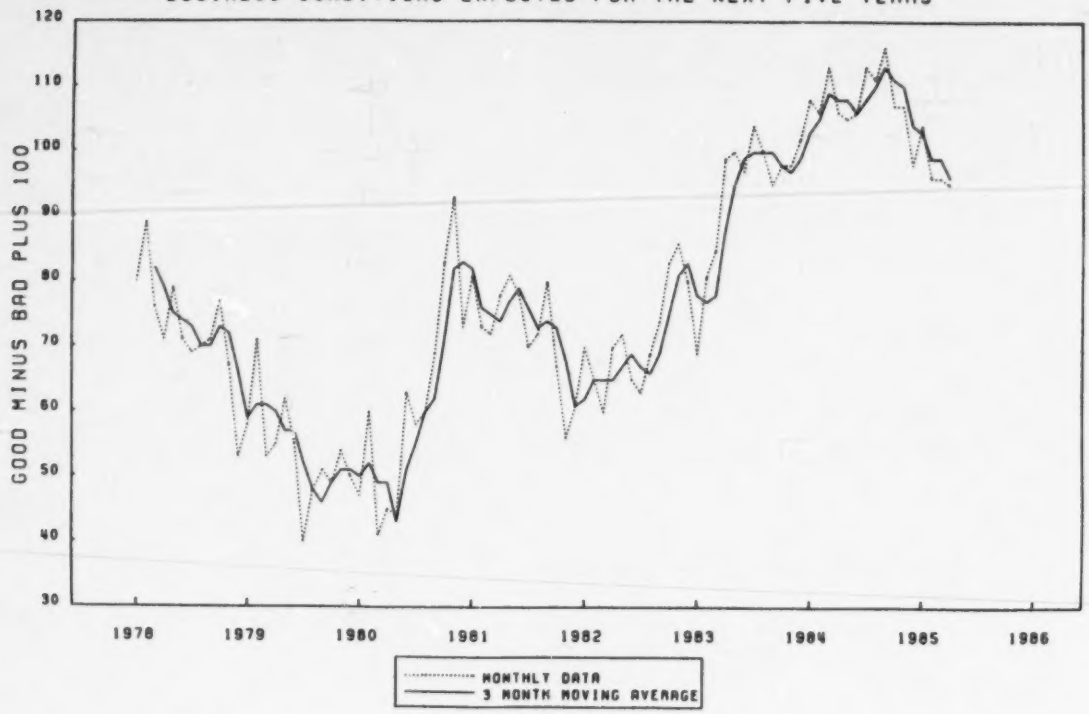


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

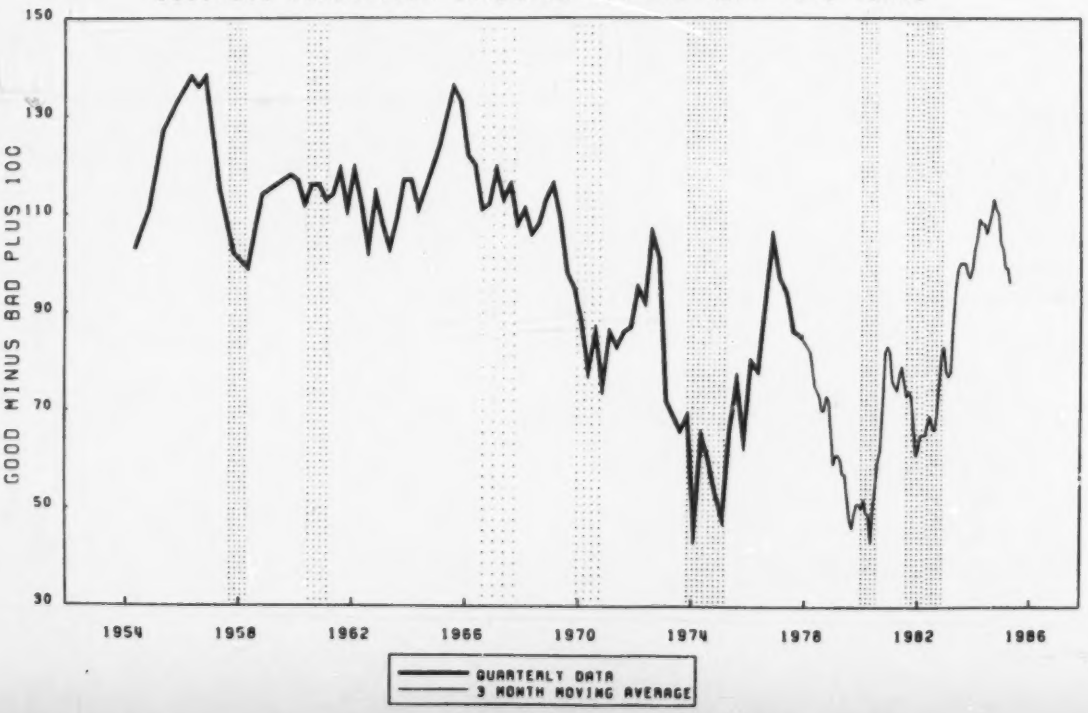


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIMES	41%	43%	42%	44%	47%	47%	43%	42%	39%	43%	41%	40%	39%
UNCERTAIN; GOOD & BAD	19	15	17	19	13	17	17	17	15	15	11	13	14
BAD TIMES	35	38	36	31	36	31	36	35	41	39	45	44	44
NOT ASCERTAINED	5	4	5	6	4	5	4	6	5	3	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

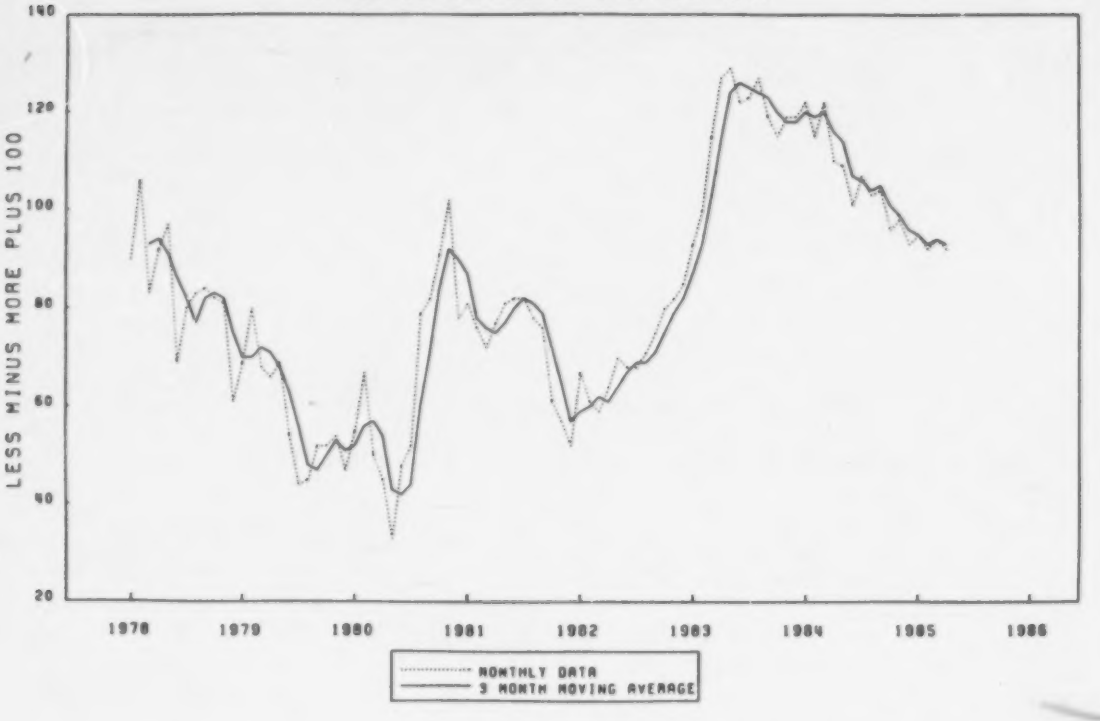


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

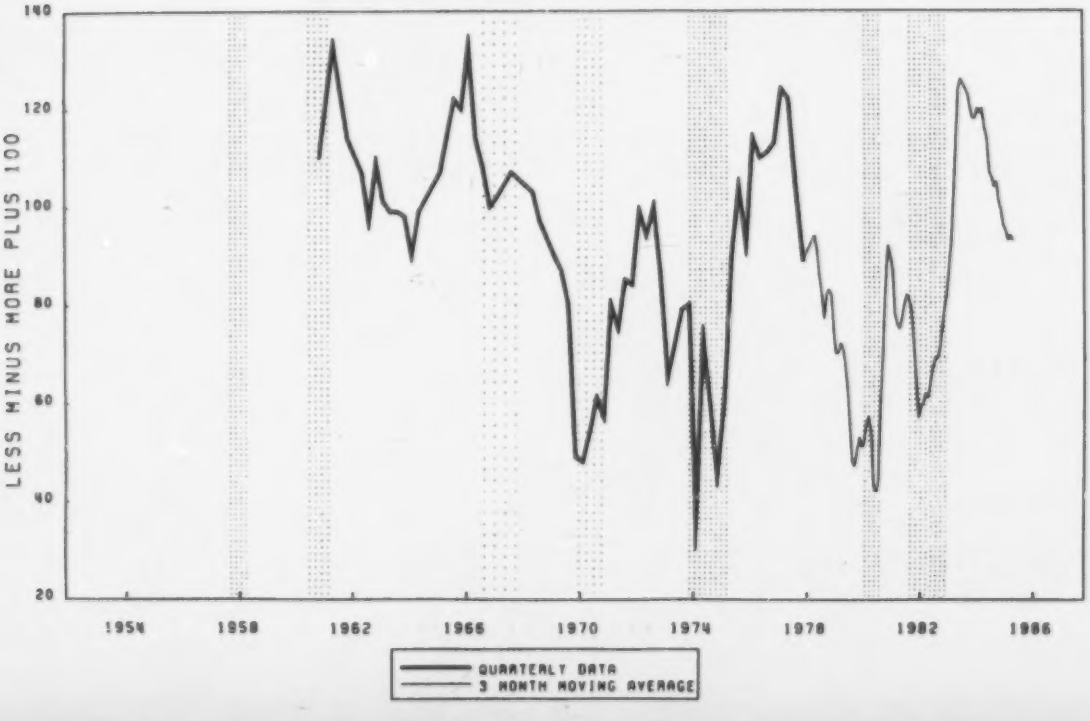


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
LESS	28%	29%	24%	26%	24%	26%	20%	22%	21%	20%	20%	23%	20%
SAME	52	51	52	53	54	50	54	52	50	54	50	47	50
MORE	18	20	23	19	21	22	24	24	28	25	28	29	28
DK,NA	2	*	1	2	1	2	2	2	1	1	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

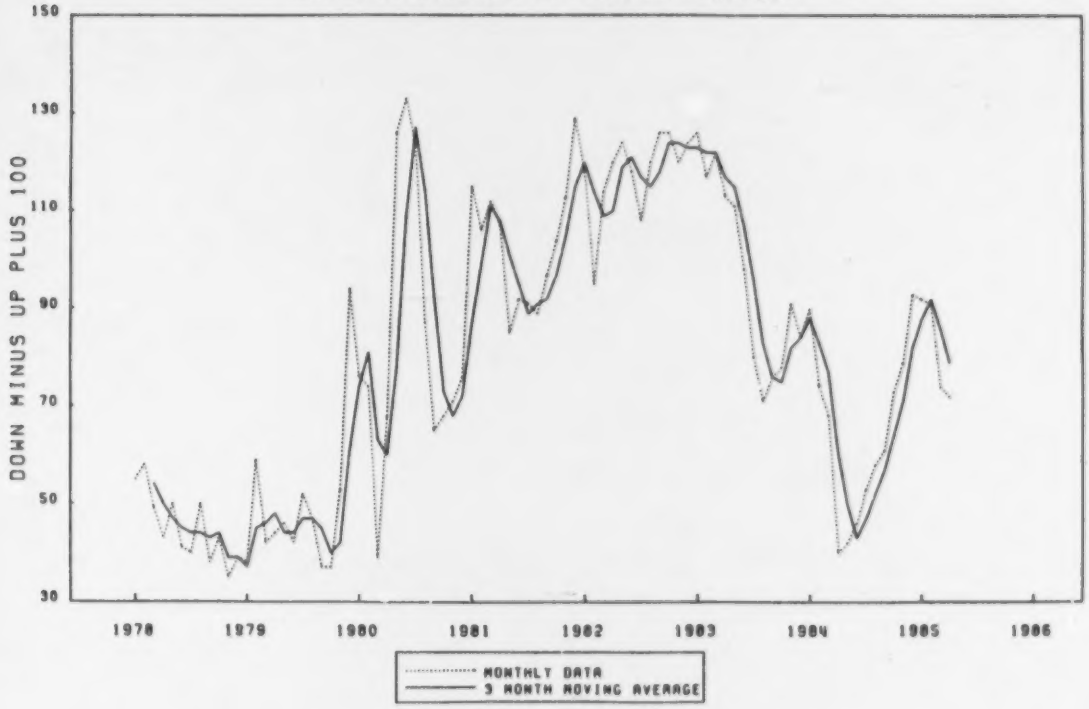


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

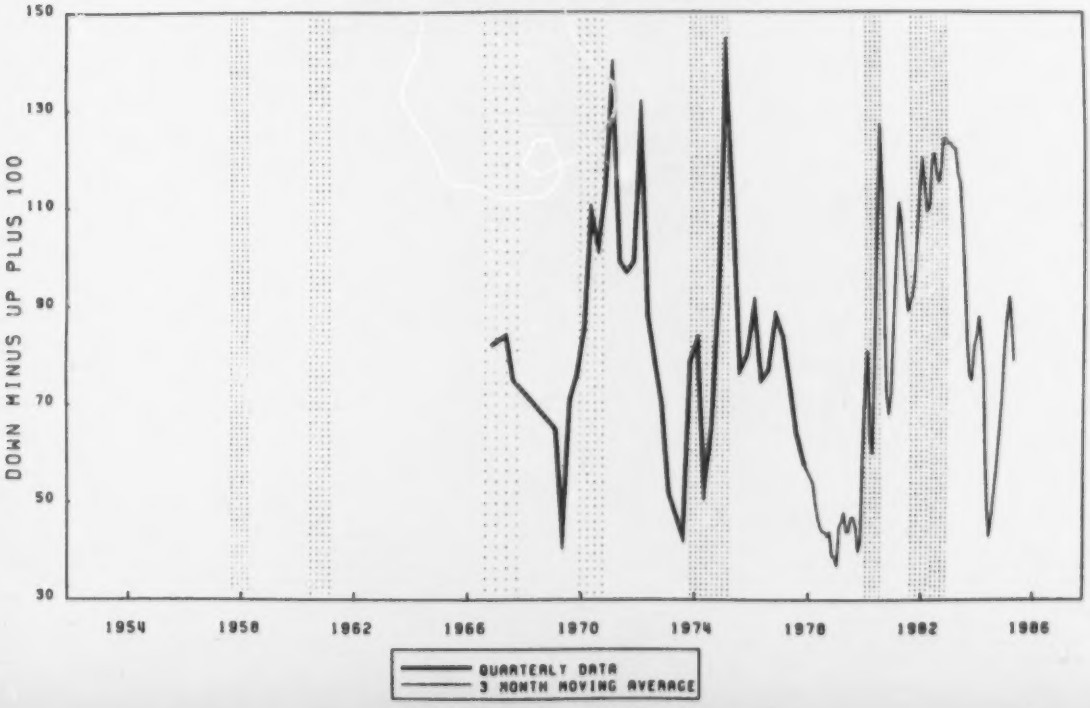


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GO UP	68%	66%	64%	58%	55%	52%	45%	44%	37%	36%	35%	45%	47%
STAY THE SAME	21	25	24	27	29	32	33	31	30	33	37	32	31
GO DOWN	8	8	10	11	13	13	18	23	30	28	26	19	19
DK,NA	3	1	2	4	3	3	4	2	3	3	2	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

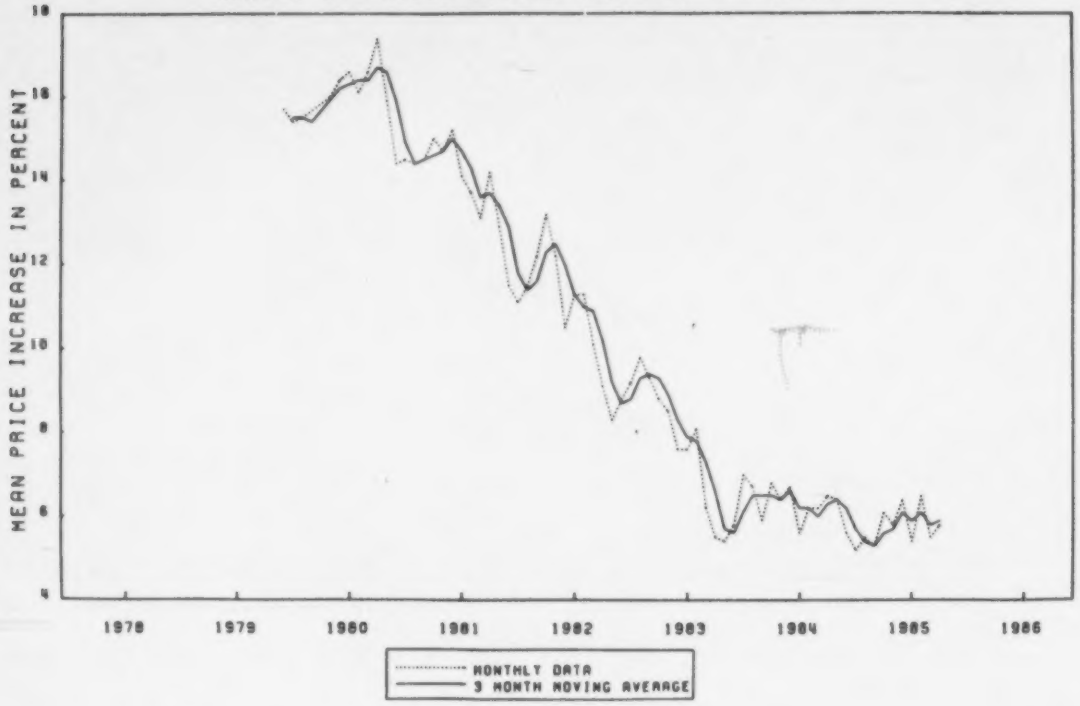


CHART 22 - HISTORICAL SERIES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

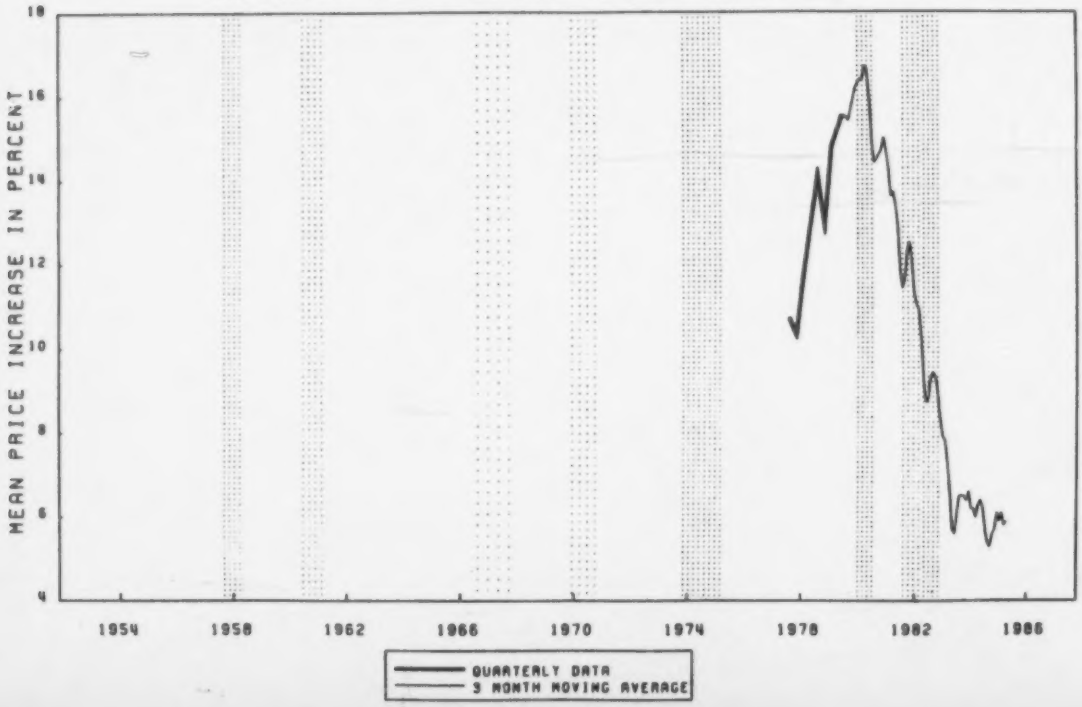


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
SAME OR DOWN	22%	23%	22%	27%	29%	29%	28%	27%	24%	25%	25%	28%	24%
GONE UP BY:													
1-2%	10	10	12	8	10	9	9	11	9	11	11	11	10
3-4%	14	14	17	17	12	16	15	15	14	17	16	18	17
5%	17	17	16	16	18	16	13	14	18	17	13	14	16
6-9%	11	9	8	8	8	7	7	5	6	7	8	5	8
10-14%	9	13	12	11	11	9	11	11	11	10	11	10	13
15% or more	12	10	8	8	7	8	11	10	10	8	11	9	8
DK how much up	5	4	5	4	5	6	5	6	7	5	4	5	4
DK,NA	*	*	*	1	*	*	1	1	1	*	1	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.5	6.4	5.6	5.2	5.5	5.3	6.1	5.8	6.4	5.4	6.5	5.5	5.8
VARIANCE	75	78	54	48	75	63	84	76	86	66	93	72	64
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

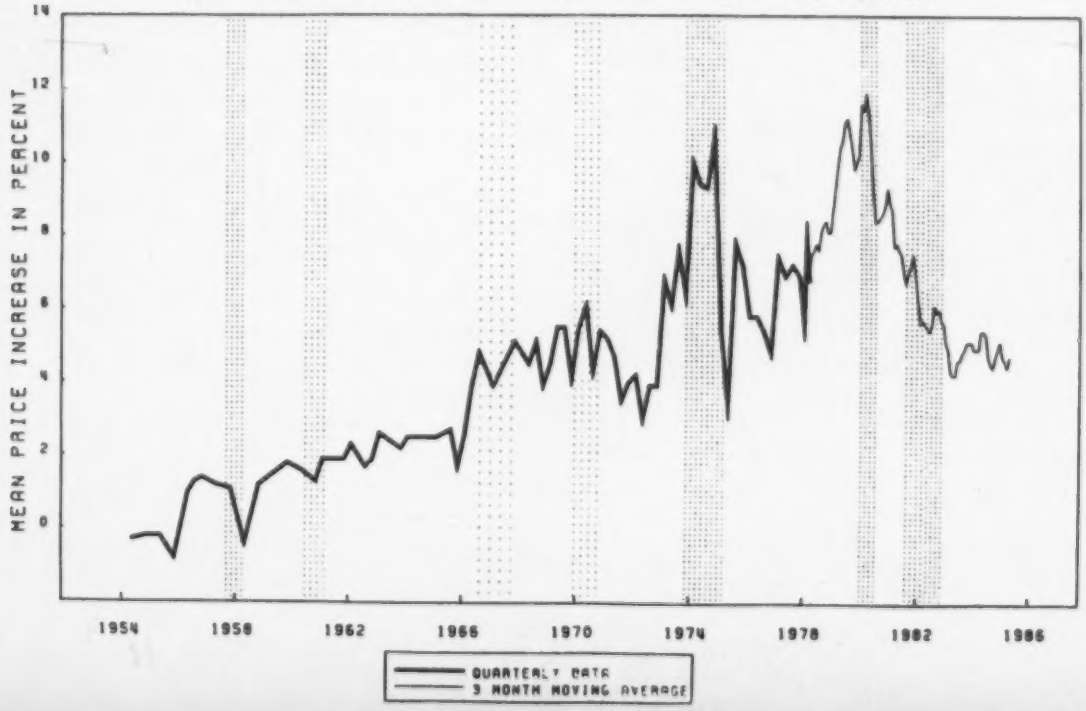


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
SAME OR DOWN	19%	19%	19%	23%	24%	24%	22%	23%	25%	26%	25%	26%	22%
WILL GO UP BY:													
1-2%	13	15	14	13	18	16	13	14	13	16	14	15	13
3-4%	17	15	16	17	15	19	15	17	17	20	19	19	20
5%	15	20	18	20	18	14	18	18	16	15	15	15	16
6-9%	12	11	11	8	6	8	9	6	9	6	6	6	8
10-14%	11	9	13	8	8	8	10	9	9	7	10	9	11
15% or more	8	6	4	5	5	4	7	7	5	4	6	6	6
DK how much up	3	4	4	3	5	4	4	4	4	4	4	4	3
DK,NA	2	1	1	3	1	3	2	2	2	2	1	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	5.9	5.3	4.8	4.5	4.6	4.2	5.3	5.1	4.8	4.1	4.8	4.3	5.0
VARIANCE	57	49	27	33	46	36	53	47	44	36	51	34	44
CASES	705	690	680	656	693	690	706	710	/04	640	655	653	675

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

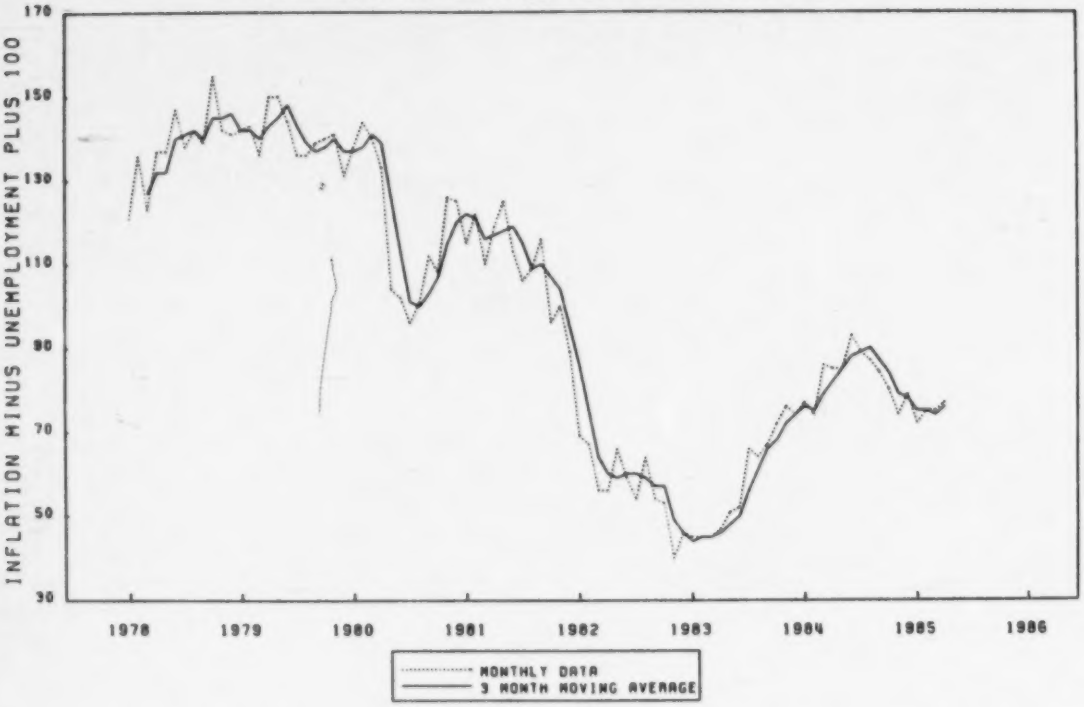


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

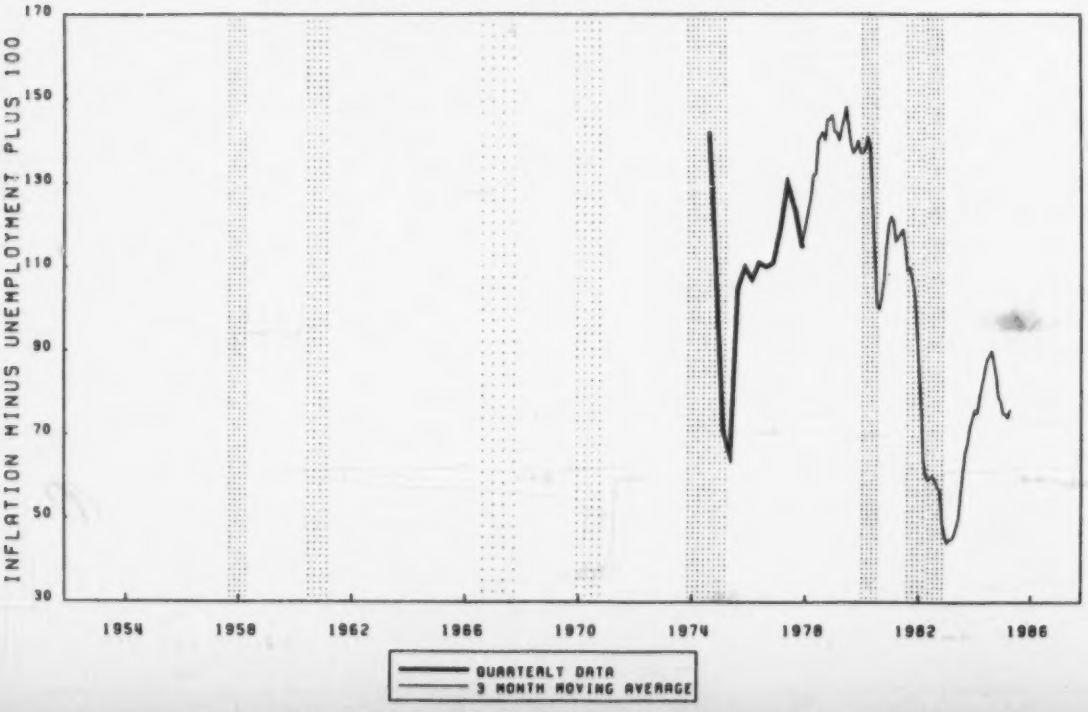


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
UNEMPLOYMENT	53%	54%	51%	51%	52%	54%	55%	59%	56%	60%	58%	59%	57%
BOTH EQUALLY SERIOUS	7	6	3	7	6	5	8	7	6	6	5	5	6
INFLATION	38	39	44	40	39	38	35	33	35	32	33	34	34
DK,NA	2	1	2	2	3	3	2	1	3	2	4	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

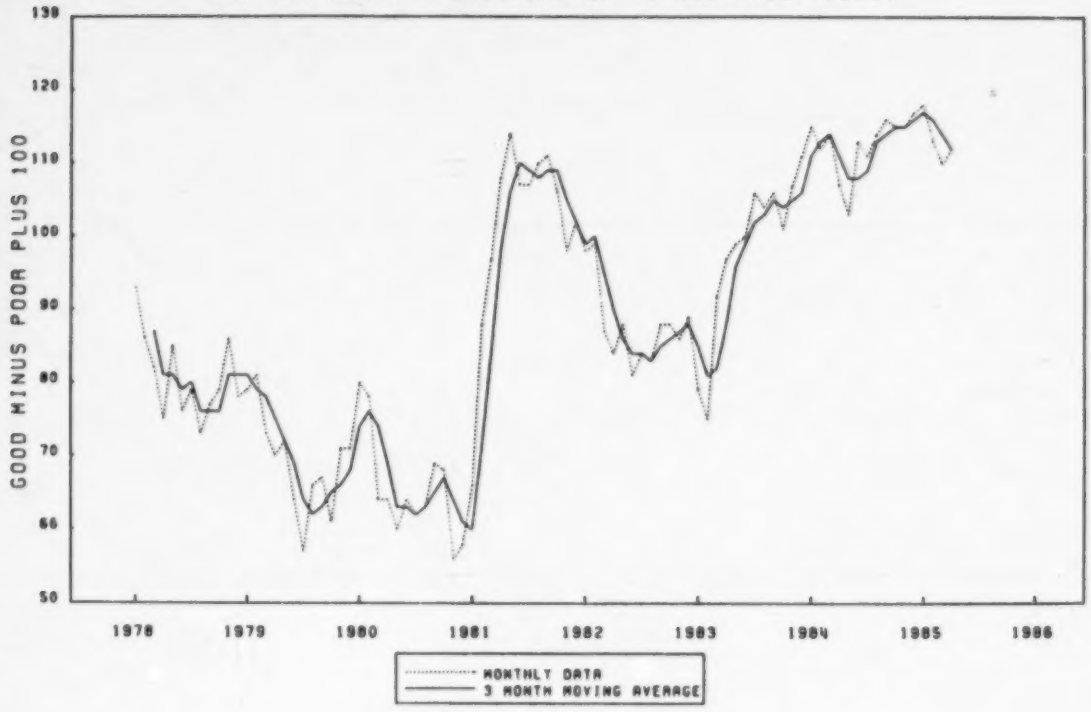


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

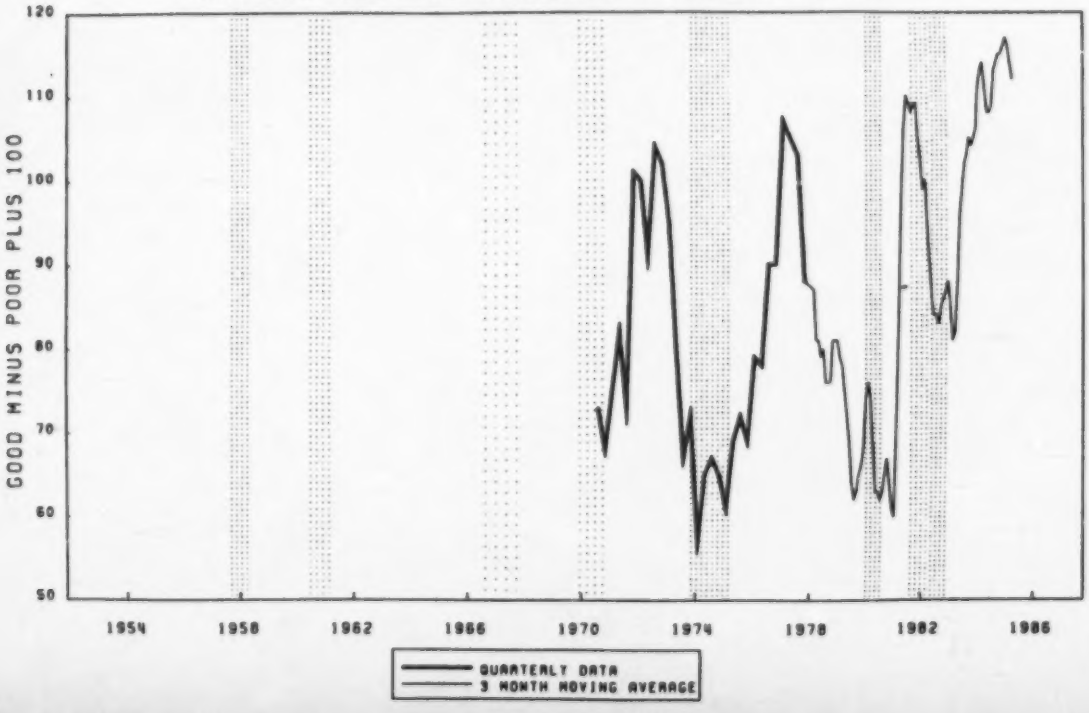


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
A GOOD JOB	27%	25%	31%	30%	33%	35%	36%	32%	33%	34%	33%	32%	30%
ONLY FAIR	50	52	49	48	46	44	41	50	49	49	46	43	50
A POOR JOB	20	22	18	19	19	19	21	17	16	16	20	22	18
DK,NA	3	1	2	3	2	2	2	1	2	1	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

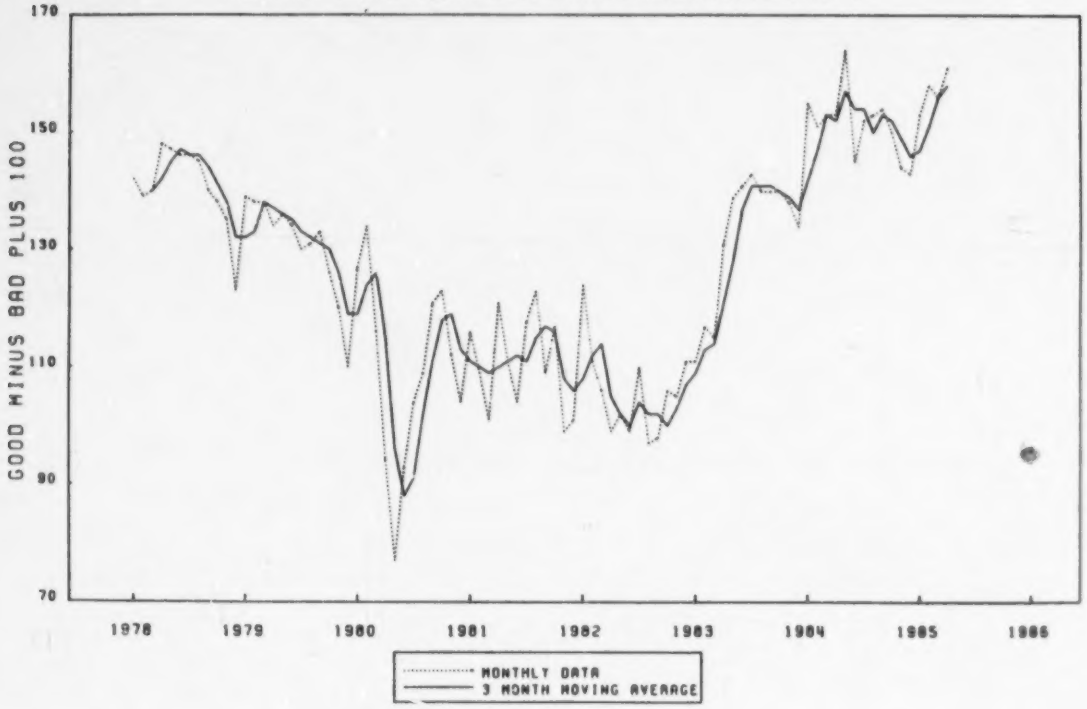


CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

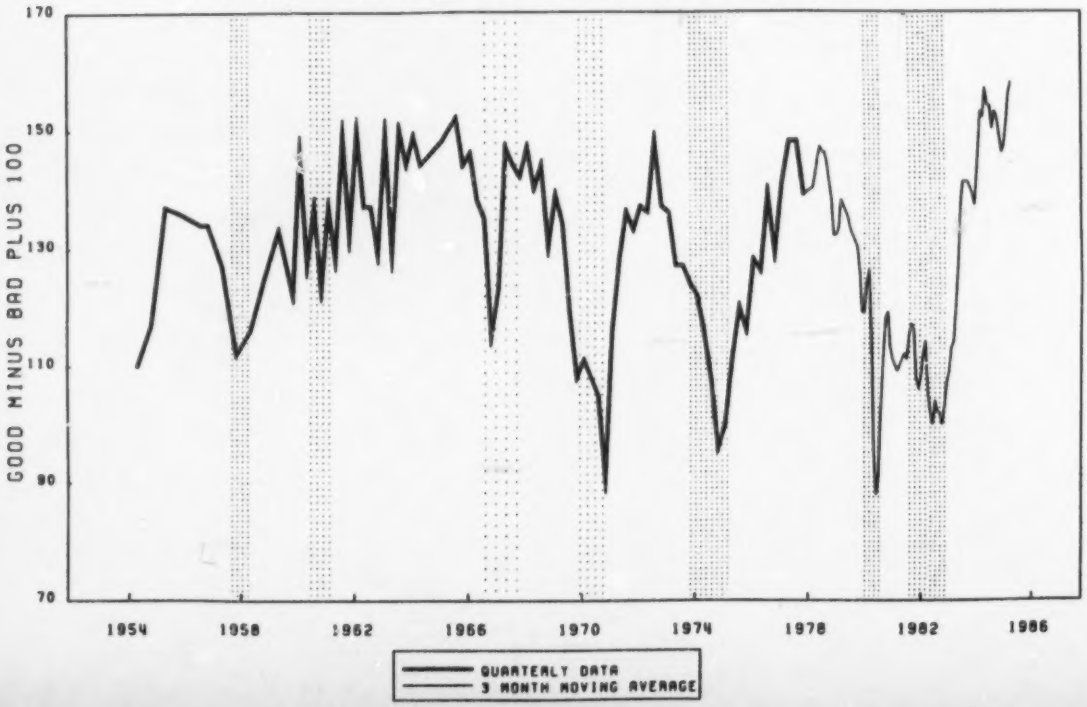


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY	72%	77%	67%	71%	72%	72%	70%	67%	67%	73%	75%	74%	77%
UNCERTAIN, DEPENDS	9	10	11	10	9	10	10	10	9	7	8	8	7
BAD TIME TO BUY	19	13	22	19	19	18	20	23	24	20	17	18	16
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

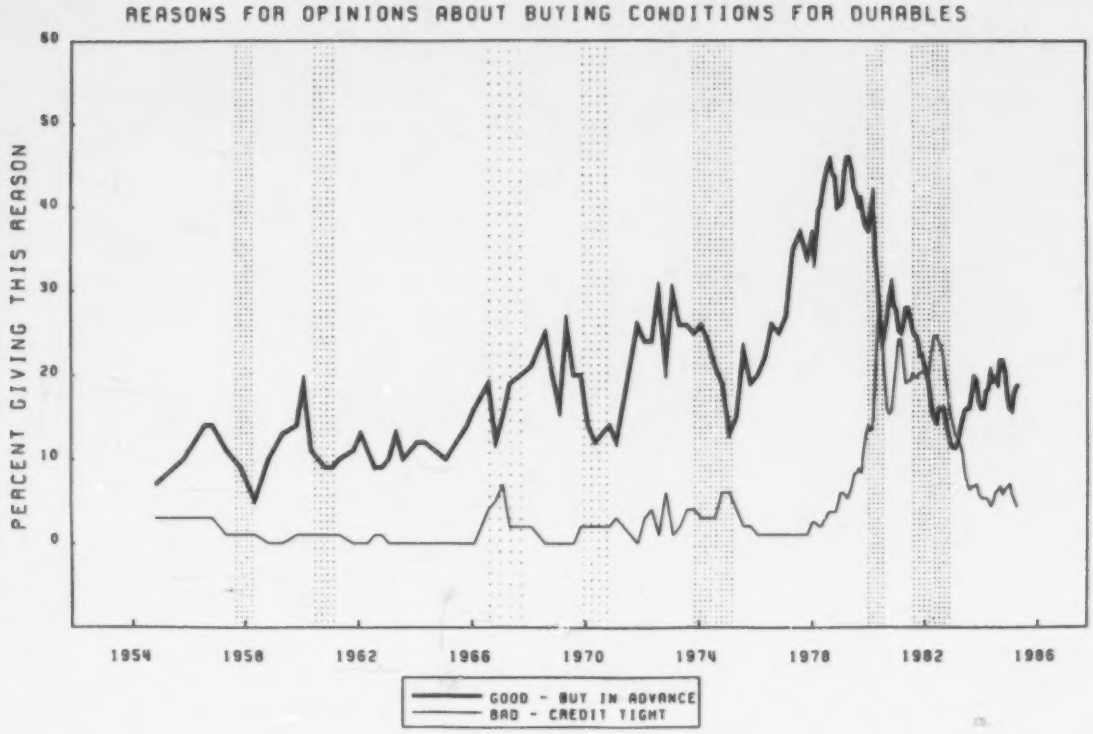


CHART 27B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

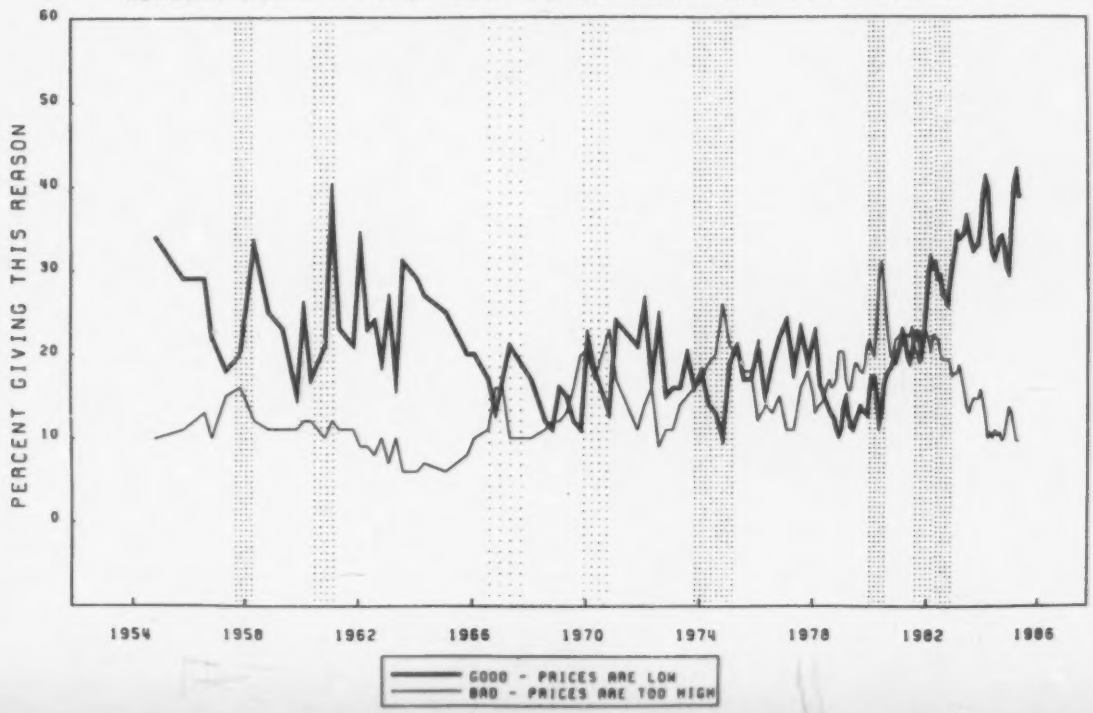


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	30%	31%	33%	33%	35%	34%	29%	28%	32%	45%	43%	36%	37%
Prices won't come down; are going higher	20	22	16	21	20	24	21	17	15	16	16	22	18
Interest rates low; credit is easy	14	11	11	10	8	8	11	11	10	11	11	10	13
BAD TIME TO BUY:													
Prices are high	12	8	13	10	9	10	12	14	15	10	9	10	10
Interest rates are high; credit is tight	5	5	5	8	6	6	5	8	7	6	4	5	4
Lack of purchasing power	6	5	7	5	7	7	7	7	7	10	6	7	6

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

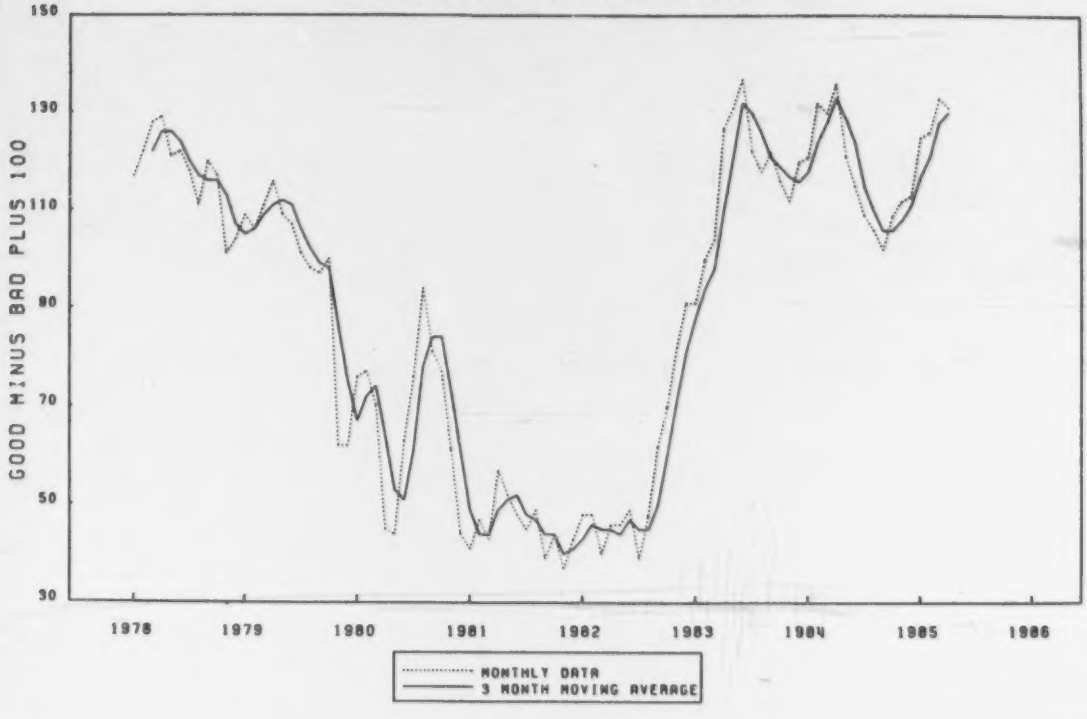


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

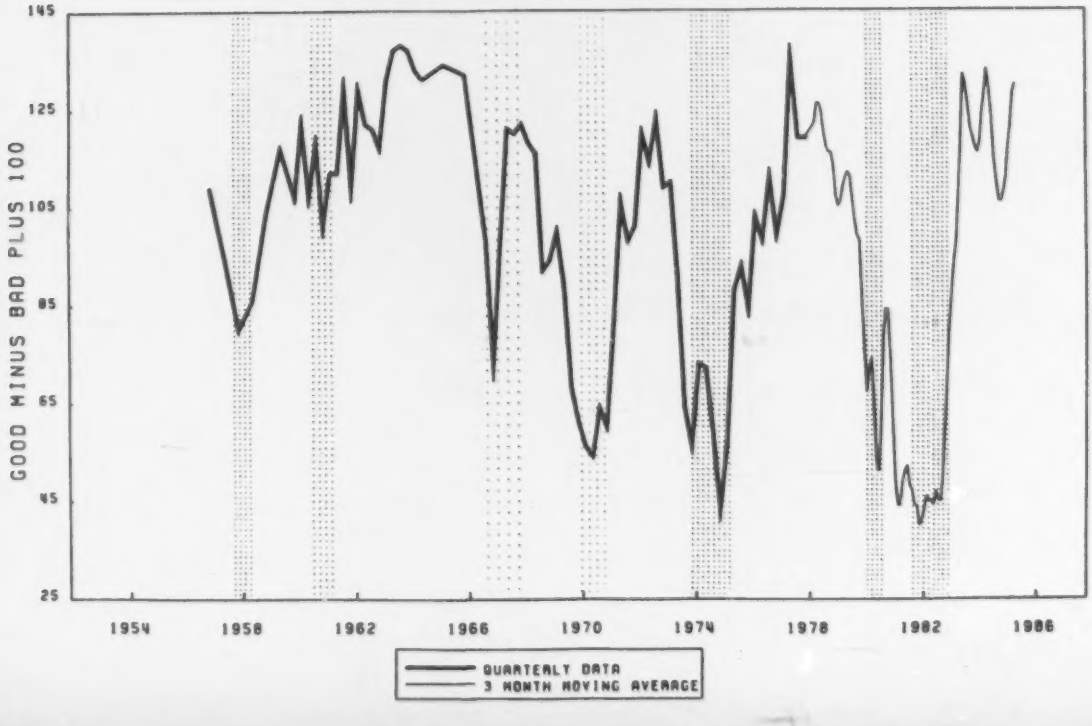


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY	66%	58%	55%	52%	50%	48%	52%	54%	54%	61%	61%	64%	64%
UNCERTAIN, DEPENDS	4	5	5	5	6	6	5	4	5	3	4	5	3
BAD TIME TO BUY	30	37	40	43	44	46	43	42	41	36	35	31	33
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

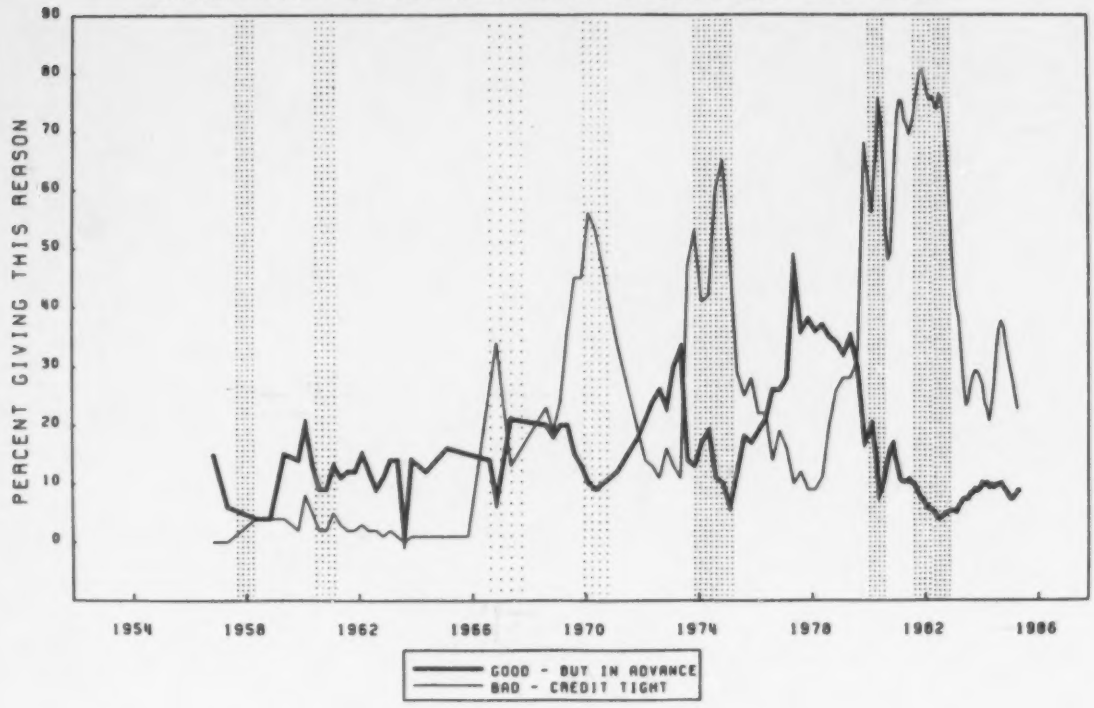


CHART 29B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

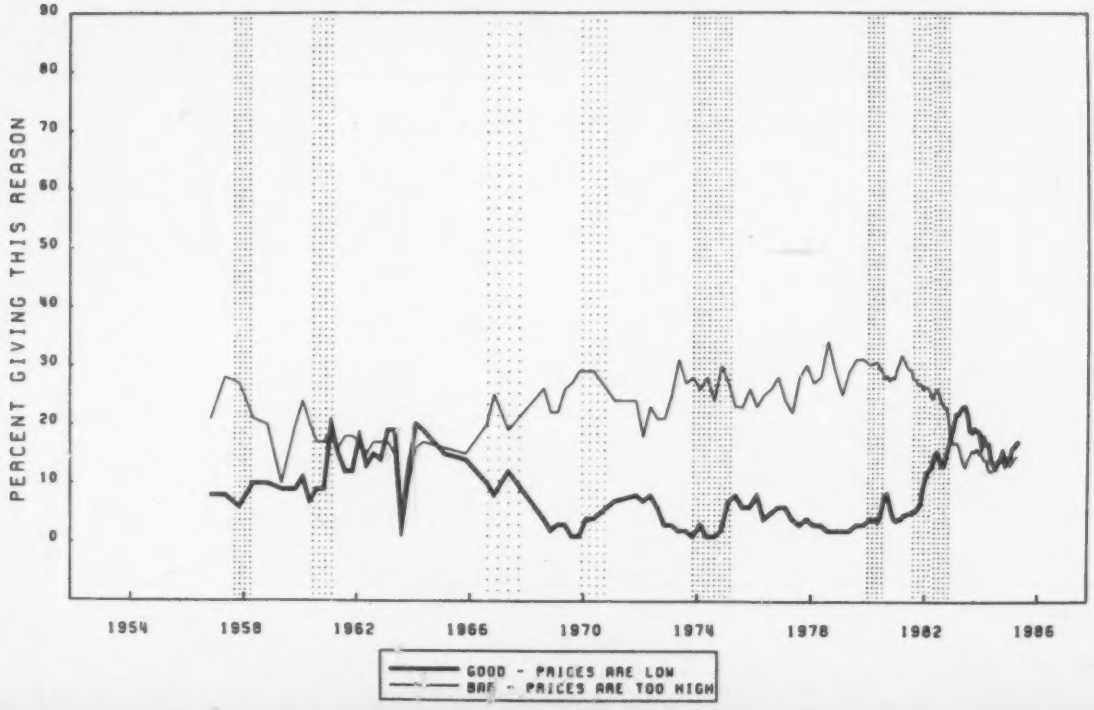


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	12%	13%	13%	15%	14%	15%	11%	17%	15%	16%	18%	17%
Prices won't come down; are going higher	10	9	9	11	9	10	9	7	8	7	7	10	9
Interest rates low; credit is easy	52	44	38	37	35	34	35	44	38	49	50	48	47
Good investment	6	5	8	5	4	7	5	7	5	6	6	7	6
BAD TIME TO BUY:													
Prices are high	11	12	14	12	16	16	16	12	13	14	14	15	15
Interest rates are high; credit is tight	20	29	33	36	40	37	33	31	30	27	25	22	21
Lack of purchasing power	10	12	10	11	11	11	10	13	13	12	11	9	12

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

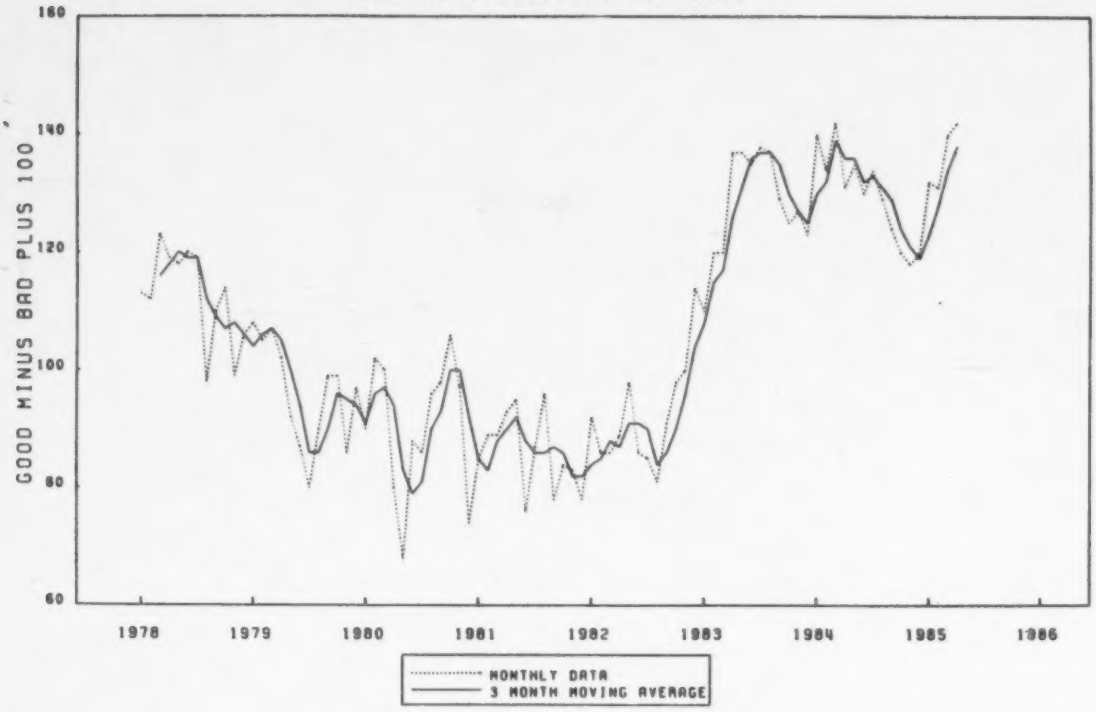


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

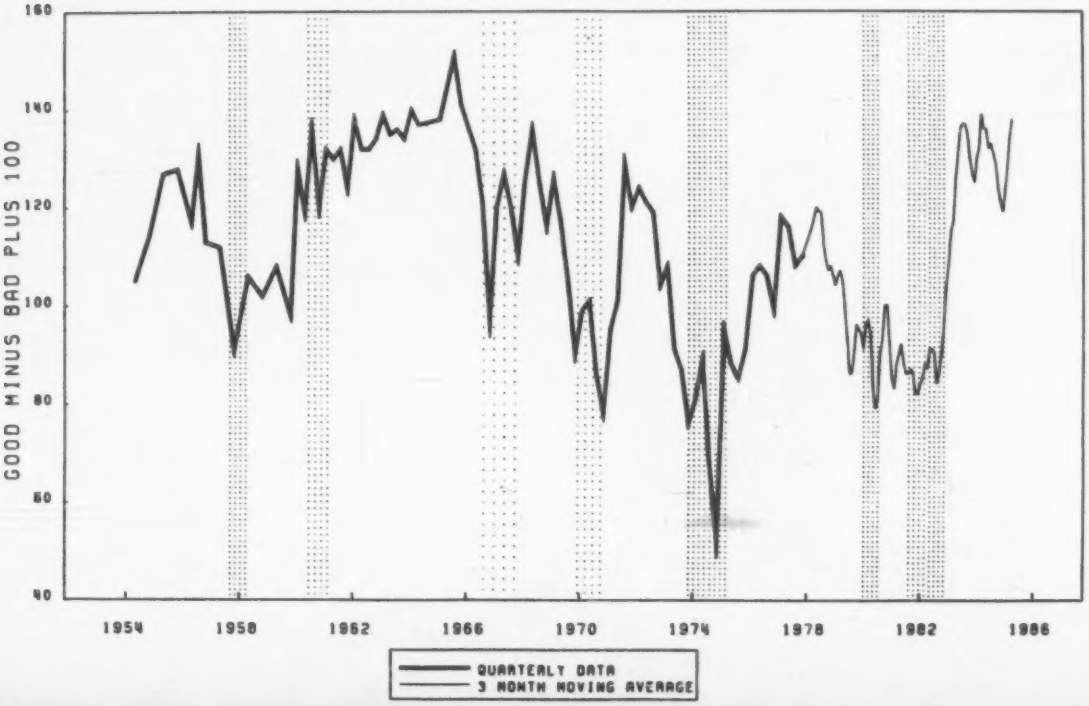


TABLE 30

BUYING CONDITIONS FOR CARS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY	60%	63%	60%	62%	59%	59%	54%	55%	55%	62%	61%	67%	68%
UNCERTAIN; DEPENDS	11	9	10	10	11	6	12	8	10	8	9	6	6
BAD TIME TO BUY	29	28	30	28	30	35	34	37	35	30	30	27	26
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

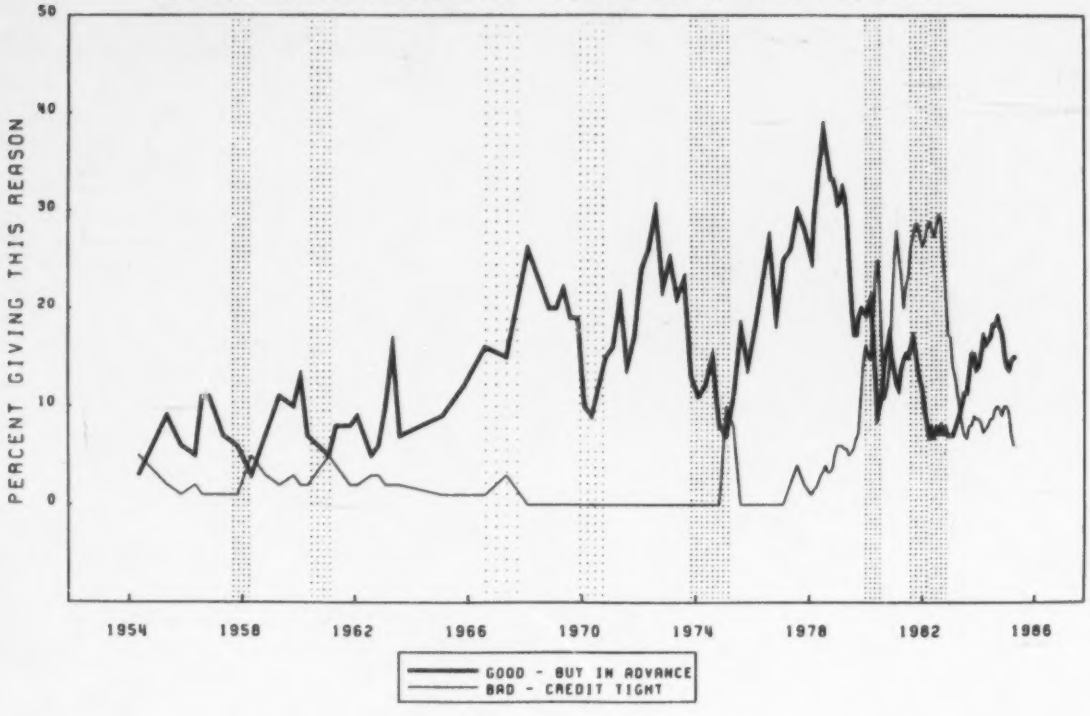


CHART 31B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

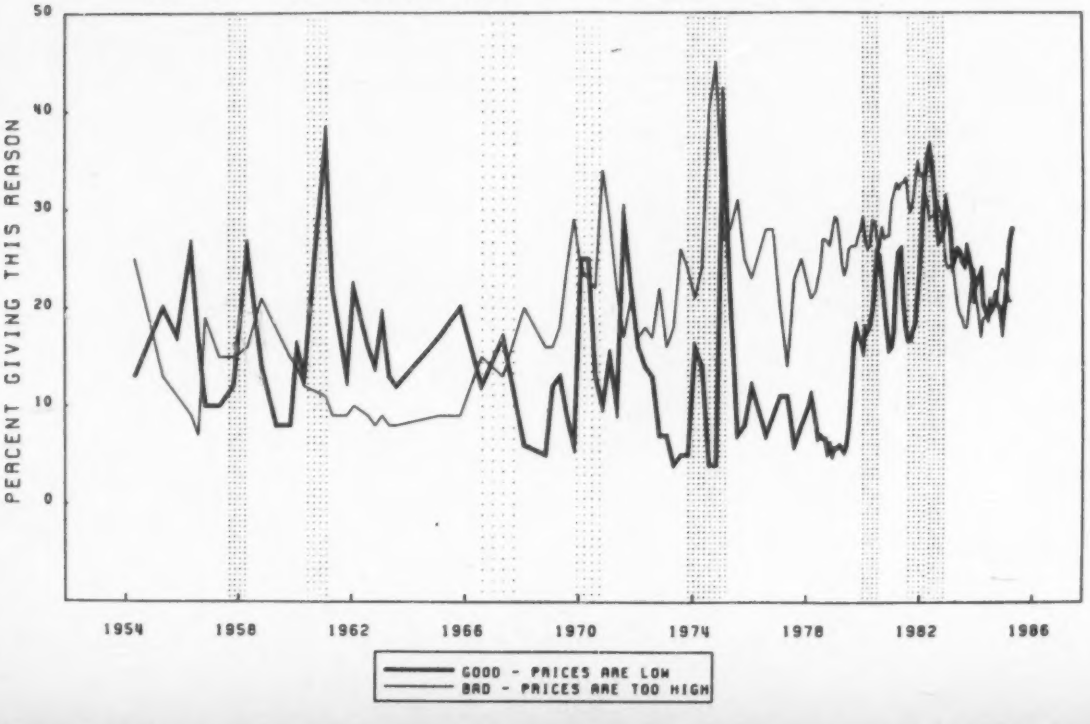


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
GOOD TIME TO BUY:													
Prices are low; good buys available	16%	20%	21%	21%	19%	24%	18%	18%	18%	24%	26%	30%	28%
Prices won't come down; are going higher	16	17	18	20	17	20	17	15	14	13	14	17	14
Interest rates low; credit is easy	22	18	18	24	17	15	14	18	15	23	24	23	25
New fuel efficient models	1	3	1	1	2	1	2	*	2	*	1	1	1
BAD TIME TO BUY:													
Prices are high	22	18	20	20	19	22	23	25	24	21	21	20	21
Interest rates are high; credit is tight	9	9	8	9	12	9	8	10	12	8	8	5	5
Lack of purchasing power	4	5	4	4	5	6	6	8	7	7	6	6	4
Price of gas; shortages	*	*	*	*	1	*	*	*	*	*	*	*	*
Poor selection; quality	6	2	2	4	4	3	3	5	4	4	4	3	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

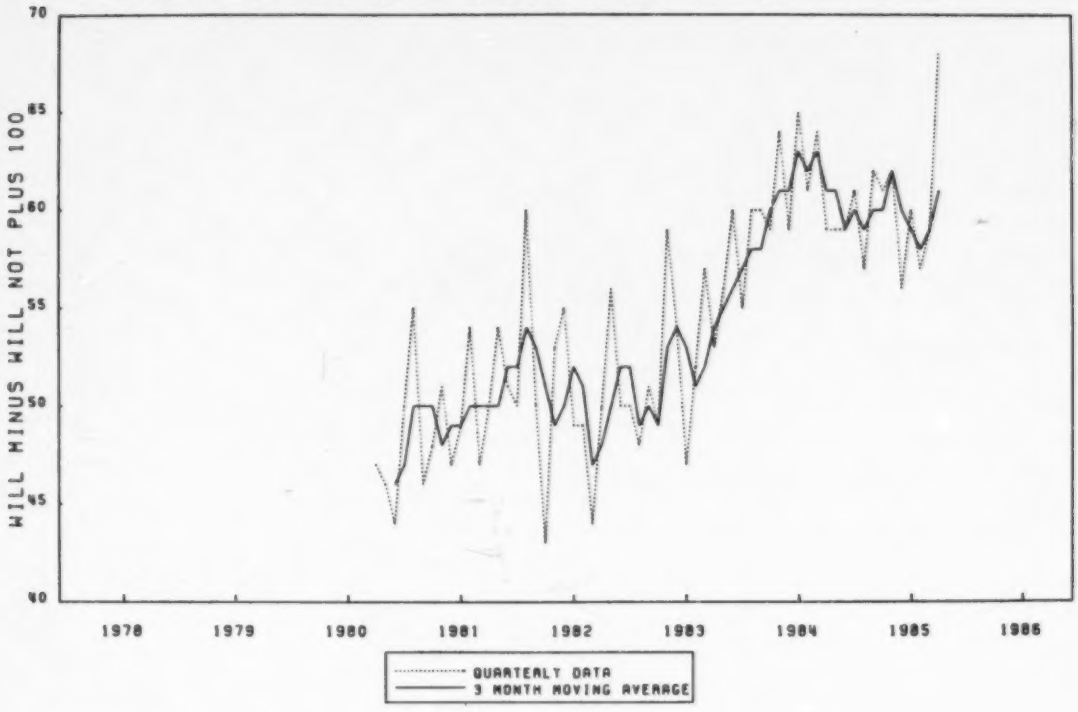


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

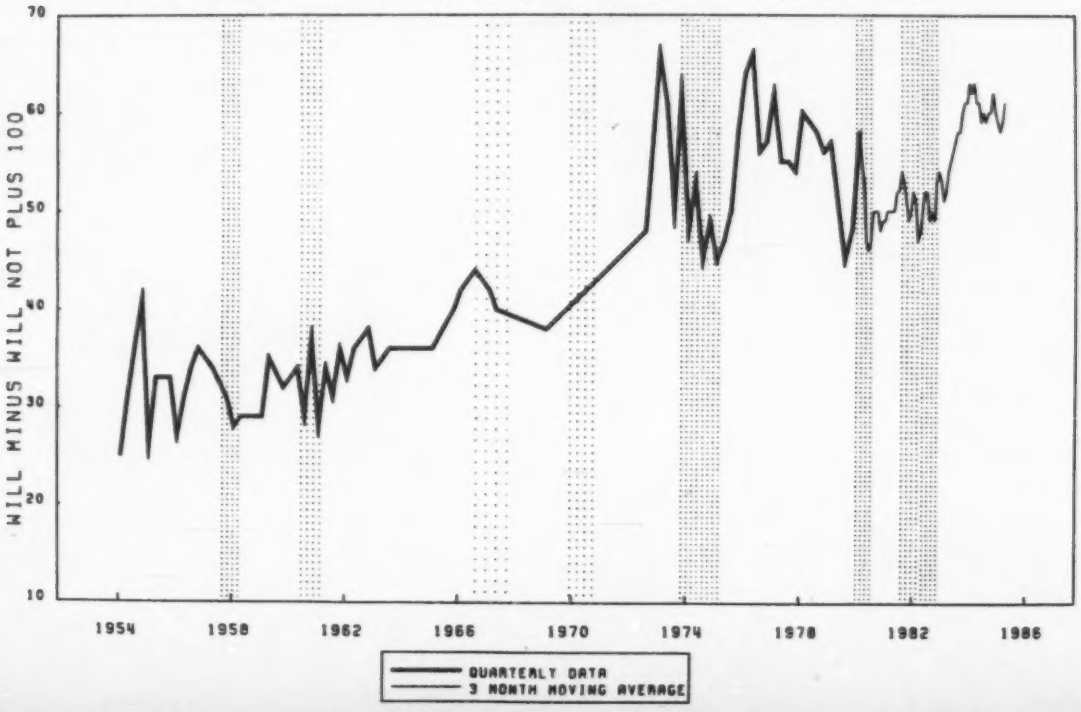


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PROBABLY WILL BUY	21%	19%	20%	20%	21%	22%	21%	21%	19%	20%	19%	20%	24%
CHANCES ARE EVEN	6	12	9	9	7	8	8	9	9	9	9	8	7
PROBABLY WILL NOT BUY	62	60	61	59	64	60	60	59	63	60	62	61	56
DK,NA	11	9	10	12	8	10	11	11	9	11	10	11	13
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	705	690	680	656	693	690	706	710	704	640	655	653	675

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	27%	31%	29%	29%	28%	30%	29%	30%	28%	29%	28%	28%	31%
PURCHASE TYPE:													
Buy new	13	15	16	15	15	14	15	15	13	17	15	14	17
Buy used	12	14	11	12	11	13	12	13	13	11	11	13	12
Lease	1	2	1	2	1	2	2	1	1	1	1	1	1
DK,NA	1	*	1	*	1	1	*	1	1	*	1	*	1
PURCHASE TIMING:													
Next 3 months	7	3	2	7	3	1	6	5	3	5	4	2	8
Next 4-6 months	6	9	8	6	5	8	6	7	6	8	9	8	9
Next 7-9 months	6	7	9	3	4	5	7	7	10	7	8	11	6
10 months or more	4	6	4	7	8	10	4	8	7	5	4	5	3
DK,NA	4	6	6	6	8	6	6	3	2	4	3	2	5

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Apr. 1984	May 1984	June 1984	July 1984	Aug. 1984	Sept 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	Feb. 1985	Mar. 1985	Apr. 1985
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	62%	60%	61%	59%	64%	60%	60%	59%	63%	60%	62%	61%	56%
PURCHASE TYPE:													
Would buy new	34	33	36	35	33	34	31	33	34	35	32	35	34
Would buy used	27	26	24	22	29	25	27	25	28	25	28	25	21
DK,NA	1	1	1	2	2	1	2	1	1	*	2	1	1
PURCHASE TIMING:													
Less than 2 years	10	5	7	5	8	5	7	7	7	8	9	6	5
2 years	20	22	21	18	25	21	21	20	23	18	19	21	21
3 years	9	9	8	10	8	11	10	9	10	9	10	10	11
4 years or more	17	18	17	18	15	17	16	17	15	19	17	19	14
Indefinite	1	2	2	3	3	2	1	2	3	2	2	2	1
DK,NA	5	4	6	5	5	4	5	4	5	4	5	3	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

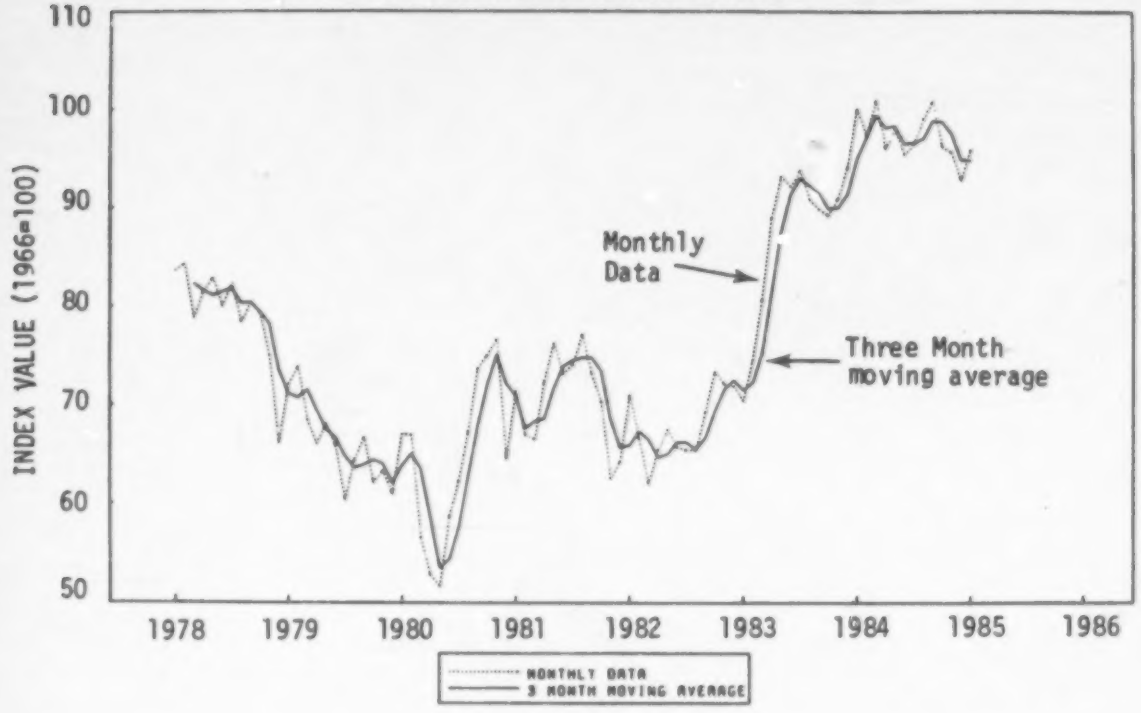
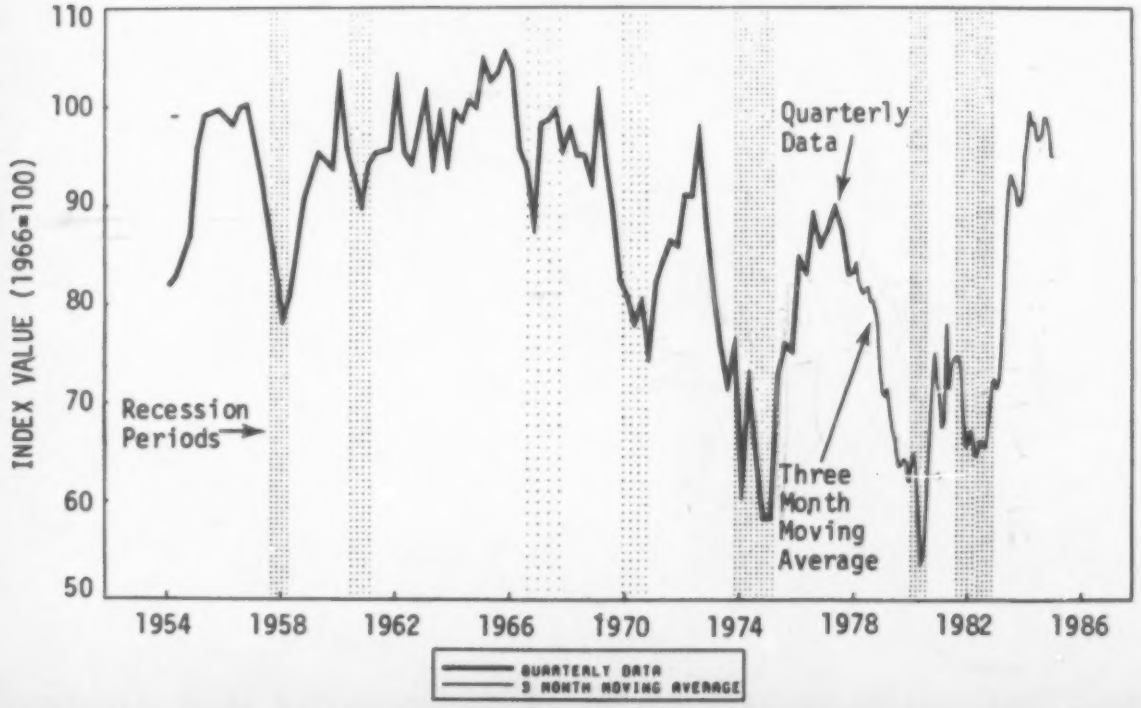


CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:	November	1948	- October	1949
	July	1953	- May	1954
	August	1957	- April	1958
	April	1960	- February	1961
	June	1966	- November	1967*
	December	1969	- November	1970
	November	1973	- March	1975
	January	1980	- July	1980
	July	1981	- November	1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

[a]The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b]Average size of monthly surveys.

[c]Average size of two monthly surveys.

[d]Average size of three monthly surveys (one quarter).